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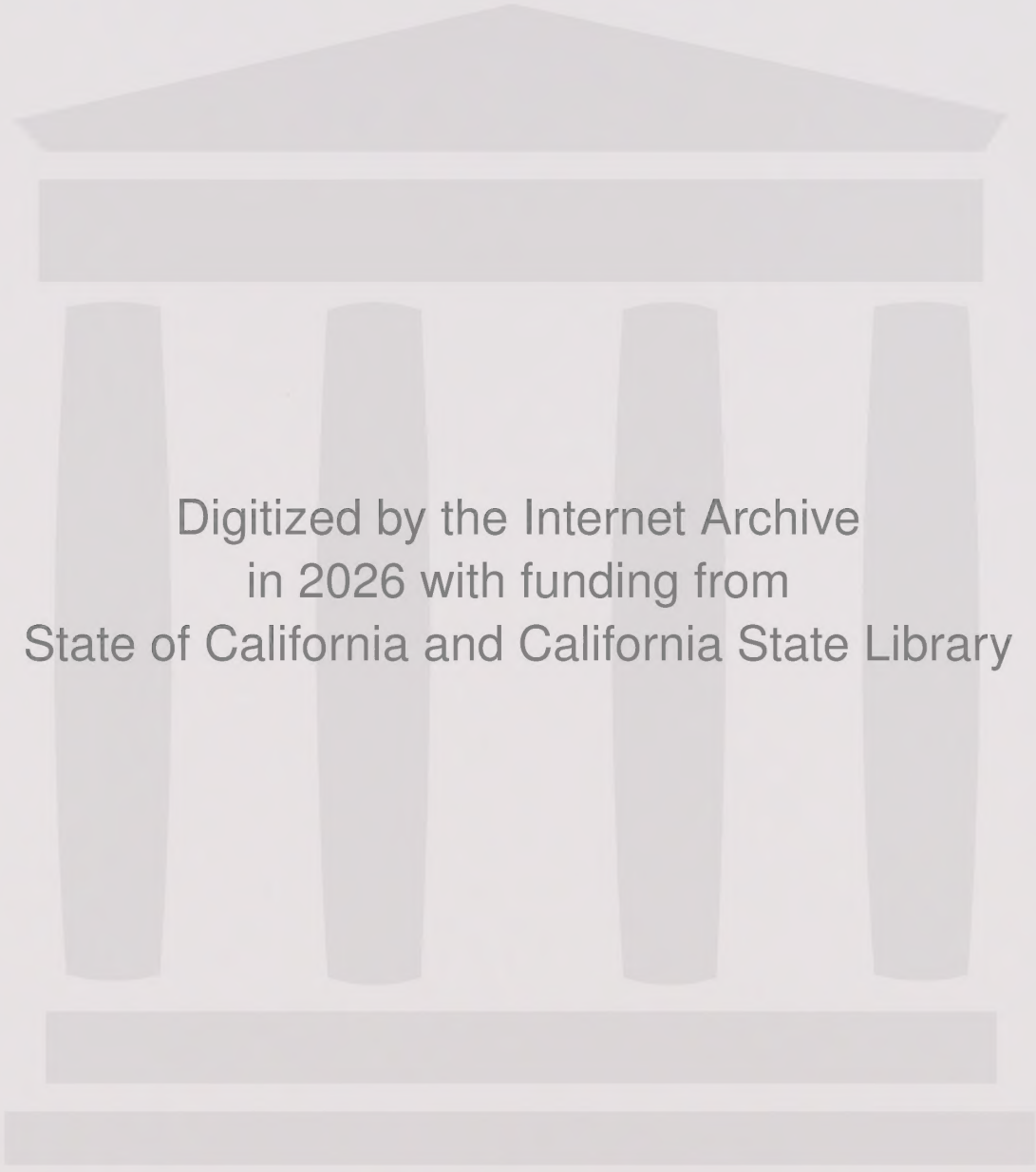
...ensive Annual Financial Report

COUNTY OF VENTURA, CALIFORNIA

FISCAL YEAR ENDED JUNE 30, 2002

CHRISTINE L. COHEN - AUDITOR-CONTROLLER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County of Ventura, California

COMPREHENSIVE ANNUAL FINANCIAL REPORT YEAR ENDED JUNE 30, 2002

County Auditor-Controller's Office
CHRISTINE L. COHEN, *Auditor-Controller*

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COUNTY OF VENTURA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2002

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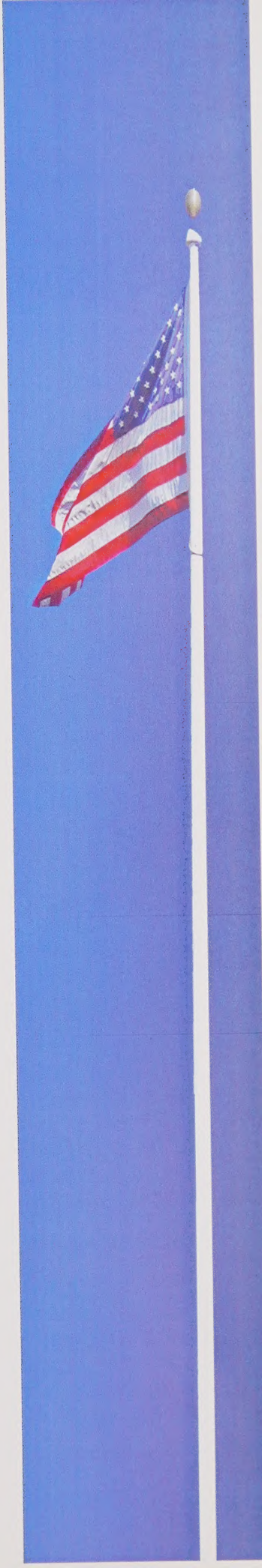


CHRISTINE L. COHEN
AUDITOR-CONTROLLER
County of Ventura
800 South Victoria Avenue
Ventura, CA 93009-1540

CHIEF DEPUTIES
SANDRA BICKFORD
BARBARA J. LOPEZ
JAMES M. TAMEKAZU
LOUISE WEBSTER

January 31, 2003

Honorable Board of Supervisors
County of Ventura
County Government Center
800 South Victoria Avenue
Ventura, California 93009

Members of the Board of Supervisors and
Citizens of the County of Ventura:

The Comprehensive Annual Financial Report (CAFR) of the County of Ventura (County) for the year ended June 30, 2002, is hereby submitted in compliance with the provisions of the State of California Government Code Sections 25250 and 25253. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the County. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and changes in financial position of the various funds of the County. All disclosures necessary to enable the reader to gain an understanding of the County's financial activities have been included.

AUDITS

This CAFR was prepared to satisfy the new financial reporting requirements for state and local governments as issued by the Governmental Accounting Standards Board (GASB); specifically GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis — for State and Local Governments* (GASB 34), and subsequent related statements. This is the County's first financial report issued under the new governmental reporting model. Further information regarding the new reporting requirements can be found in Note 2 of the Notes to the Basic Financial Statements. Analysis of the financial statements can be found in the Management's Discussion and Analysis.

The CAFR has been audited by the independent certified public accounting firm of KPMG LLP. The goal of the independent audit was to provide reasonable assurance about whether the basic financial statements of the County for the fiscal year ended June 30, 2002, are free of material misstatement. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. KPMG concluded that the County's annual financial statements as contained herein present fairly, in all material respects, the financial position, changes in financial position and cash flows, where applicable, of the County of Ventura in conformity with generally accepted accounting principles. The unqualified Auditors' Report is included in the Financial section of this Comprehensive Annual Financial Report.

The County is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act Amendments of 1996 and the United States Office of Management and Budget (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the Schedule of Expenditures of Federal Awards, Findings and Questioned Costs (if applicable), and the independent auditor's reports on internal control and compliance with applicable laws and regulations, are included in a separate annual publication available from the County Auditor-Controller's Office.

THE COUNTY PROFILE AND REPORTING ENTITY

The County of Ventura was approved by the State Legislature on March 22, 1872, effective January 1, 1873. The County was created out of the southeasterly portion of Santa Barbara County. The County covers an area of 1,873 square miles and is 26th in size among California's 58 counties. It is bordered on the north by Kern County, on the northwest by Santa Barbara County, and on the east by Los Angeles County. The Pacific Ocean provides the County's south and southwestern border stretching along 42 miles of coastline.

The County is a General Law County. Policymaking, budget approval, and legislative authority are vested in a five-member Board of Supervisors (Board). Each supervisor is elected on a nonpartisan basis by geographic districts for four-year staggered terms with two members and three members elected every two years. The chair of the Board is elected by the board members to a one-year term.

The County provides a full range of services, including general government (administration and finance), public protection (law enforcement, fire protection, flood control, County portion of judicial, and detention), public ways and facilities (county service areas and construction and maintenance of roads), health and sanitation (public, behavioral and environmental health), public assistance, and education (libraries). In addition, enterprise funds account for the operations of the Medical Center, Health Care Plan, two airports, Channel Islands Harbor, Harbor expansion, waterworks districts (sanitation and water services), and recreational activities.

The financial reporting entity (the government) includes all the funds of the primary government (County of Ventura as legally defined), as well as all of its legally separate component units, if applicable. The component units are reported as *blended* when they are in substance part of the primary government or *discretely presented* in a separate column on the government-wide financial statements to emphasize that they are legally separate from the primary government. Note 1 of the Notes to the Basic Financial Statements provides more information on the reporting entity.

There are certain separate legal entities that share the title "County of Ventura," including numerous schools and other districts governed by local boards. These entities are autonomous organizations with their own governmental powers. They maintain their own financial records and issue financial statements separate and distinct from those of the County. Accordingly, they are not included in the accompanying financial statements, except as to their assets held by the County, principally cash and investments held by the County Treasurer in the Investment Trust Fund. Most of these entities are audited annually. Their financial statements are on file with the County Auditor-Controller's Office.

FACTORS AFFECTING FINANCIAL CONDITION

Ventura County continues to be closely allied with the economy of Southern California. For the calendar year 2002, the economy continued to grow. The County's traditional economic strength is in agriculture, food processing, and mineral production and is supplemented by the prominence of the service industry, small manufacturing businesses, the electronics industry, tourism, biotechnology, and the military presence of the Naval Base Ventura County at Port Hueneme and Point Mugu.

Positive local signs of future growth include a retail sales increase of 4.8 percent in 2002 compared to a statewide decrease of 0.1 percent. Additional signs include continued job growth, increasing population growth, opening of new and redeveloped shopping centers, and manufacturing strength in the western part of the County. The region's crop totals, for the second year, passed $1 billion in 2001 with strawberries leading the way with $230.7 million in revenue. Lemon crops were second and nursery stock third. California State University, Channel Islands, located near Camarillo, opened classes under its own name in August 2002, achieving this goal after many years of promotion by County citizens and businesses.

Total wages and salary employment in Ventura County stood at 305,800 jobs as of revised June 2002 which represents an overall increase of 1,400 jobs from revised June 2001 total of 304,400 jobs, or a 0.5 percent increase. Over the past year, the finance, insurance and real estate sector added 3,000 jobs, followed by retail with 1,200 jobs and government with 700. The services sector lost 2,100 jobs. At June 30, 2002, four major job categories continued to lead: services, 27 percent; retail trade, 17 percent; government, 15 percent; and manufacturing, 14 percent.

The June 30, 2002 annual jobless rate increased to 4.9 percent from 4.1 percent in the previous year. The unemployment rate compared favorably to 6.6 percent in California and 6.0 percent in the nation. An economic forecast by the University of California, Santa Barbara predicts moderate growth in 2003 of up to 4 percent compared to State forecasts of 1.5 percent growth.

Ventura County's total population is estimated at 780,089 as of January 1, 2002 by the Department of Finance, a 1.9 percent growth over the prior year. The County is 12th in population size among California counties. Since 1990, the County has grown 16.6 percent and has experienced a 47.2 percent cumulative increase since the 1980 Census. It is anticipated that the County will experience continued residential demand due to its quality of life, low crime, climate, relatively clean air, and proximity to the Los Angeles metropolitan area.

The total secured assessed valuation increased 8.2 percent for 2001-02 and 8.4 percent for 2002-03. Over time, real estate activity and increases in property values should reflect larger assessed valuations and more property taxes. However, building permits for new residential units fell 14 percent in 2001, following an 11 percent decrease in 2000.

The median sales price for an existing single-family home in Ventura County was $395,710 in July 2002, a 16.9 percent increase from a median of $338,550 in July 2001, according to the California Association of Realtors. The median sales price for Ventura County was $360,390 in the April to June quarter, a 14.2 percent increase from prior year.

However, divergent trends of increased demand, higher prices, and slow-growth initiatives are impacting home availability. An August report determined only 30 percent of households in the County had the annual income to support the purchase of a median-priced home, a 2 percent drop from the same month a year ago according to the California Association of Realtors. The terms of the Save Open-space and Agricultural Resources (SOAR) initiative require voters to approve new development in agricultural and open space zoned areas throughout most cities and the County.

The availability of affordable housing may become a critical economic factor for the workforce. The County is conducting a study on affordable housing. The desirability of living in Ventura County and the diversification of the overall economy are positive factors. Therefore, moderate economic growth is expected into the year 2003.

MAJOR FINANCIAL CHALLENGES

Impacts on Revenues

All fifty-eight California counties are by law created by the State and are a political subdivision of the State. With half of the County's revenue coming from other governmental units, the health of the nation and the State are of extreme importance. The national slowdown of the economy and terrorist threats have impacted the federal government's central goals with reductions to welfare, Medicare and school programs being discussed and limitations to new programs expected.

The County is responsible for carrying out many programs on behalf of the State, such as public safety policing and detention, Cal WORKs and other welfare programs. The County is also responsible for the health "safety net" for medical treatment, mental health and public health for all citizens. In addition, the County provides municipal type services for the unincorporated portion of the County.

California enjoyed the "dot.com" boom for seven or eight years since the last cutbacks in 1992-93. The energy crisis and stock market declines are taking a heavy toll on California's financing sources. The State is currently facing a $25 to $35 billion shortfall for the eighteen months ending June 30, 2004, representing up to 45 percent of its General Fund balance of $78 billion. The Bondline publication estimates national total state shortfalls are $67 billion. Proposed cuts in State funding may affect every County program as the State, like counties, must achieve a balanced budget.

Counties, as part of the State, are historically impacted by State budget shortfalls. During the last State recession in 1992-93 and 1993-94, the State shifted property taxes through the Education Revenue Augmentation Fund (ERAF) from the counties, cities and special districts to schools. The County experienced a 2001-02 loss of $72 million in property tax revenue and a cumulative loss of $551 million as of June 30, 2002. A more recent State impact is the delay of payment for state mandated programs (SB90). By appropriating only $1,000 for each statewide mandate, the State requires the counties to continue to perform the mandated tasks without reimbursement until the State resolves its own funding needs.

A major issue for counties is limited *discretionary* revenue, such as property taxes, sales taxes, and motor vehicle taxes. Most federal, State and grant revenues may only be used for specific purposes. However, the County depends on discretionary revenue as its only source for funding the required matches to these grant revenues, unfunded state mandates, and central services.

The ability to find new revenue streams is limited by the citizens through the initiative process. The 1978 Article XIII(A) of the California Constitution limited the maximum ad valoren tax on real property to one percent of "full cash value." Proposition 62 approved in 1986 requires specified Board and electorate approval for certain taxes. Proposition 218 added a constitutional amendment in 1996 further limiting government's ability to levy, collect or increase certain taxes, assessments, fees, and charges.

The County has restricted the use of two major revenue streams, public safety sales tax and tobacco settlement. The use of Proposition 172 public safety money, amounting to $46.2 million in fiscal year 2001-02, is restricted by State law as well as the County Ordinance 4088 approved in 1994. The special sales tax is used only for public safety departments--sheriff, district attorney, probation services and public defender. The public safety revenues provide for about 20 percent of total public safety spending. The tobacco settlement money is restricted

by the October 2000 County ordinance with 100 percent allocated to healthcare purposes. Prior year tobacco settlement revenue amounting to $15.7 million was set aside in a designation. Public exposure and a review process are provided for tobacco safety allocations.

Expenditures

Meanwhile, the expenditure side of the County's budget is becoming more vulnerable. Increased salaries and benefits for market-based average (MBA) adjustments for most represented and unrepresented employees drive increasing costs and future increased retirement benefits. Other pressures include medical malpractice, health insurance and worker's compensation increases. Retirement increases also have resulted from several court cases by the Deputy Sheriffs' Association that have impacted the whole state. The stock market decline has negatively impacted the value of the Ventura County Employees' Retirement Association funds which will soon require the County to resume making retirement contributions. The last County contributions were made in fiscal year 1998-99. Concerns are also strong about a mental health program with increasing caseload of services to school children. The program's annual cost exceeds $4 million for the County but the program is an SB90 state mandate for which the State has deferred all reimbursements.

Impacts on Governmental Fund Balances

The GASB new reporting model implementation tends to increase fund balance in the General Fund (and other governmental funds) on the funds statements.

Three changes cause the increase to total fund balance for the year ended June 30, 2002, and for future budgetary impacts:

- County agency funds must be recognized as revenues, deferred revenues or liabilities in the related County funds. The agency revenue recognition is determined to be reserved or unreserved fund balance. Some of these revenues have already been included in the fiscal year 2002-03 budget and midyear adjustments. More revenue was planned to be included in the new fiscal year 2003-04 budget. Agency fund inclusion also impacts proprietary funds.

- GASB Interpretation 6 provides a positive impact to the County's General Fund unreserved fund balance by recognizing only matured liabilities. The County's budget also recognizes matured liabilities on its governmental funds.

- The County elected to retain the same revenue recognition criteria for revenue accruals in governmental funds as in prior years. The County *availability period* was defined as six months for non-reimbursement revenue and eight months for reimbursement revenue. The future trend will be to shorten the period to between sixty days and six months. A one-time impact of each reduction of the availability period will be to reduce possible revenue recognition in that year.

Fund balances at June 30, 2001, were restated to consider the above changes. For the General Fund at June 30, 2001, total fund balance increased by $55.4 million - from $48.3 million to $103.7 million. The increase included recognition of County agency fund revenues of $42.2 million and elimination of unmatured compensated absences liability of $13.2 million.

The new model may raise questions as to the availability of the fund balances. In the past, components of reserved fund balance were considered not available (general or balance sheet reserves) or only available by action of the Board (designations). Designations are included within the reserved fund balance.

Under the new model, reserved fund balance for restricted-type agency revenue is recorded, and the related fund balance may be used as a financing source for expenditures related to the same restricted purpose (revenue

recognition before expenditure). Under current budgetary procedures, transfers from agency funds are on a reimbursement basis, i. e., after expenditures have been incurred and revenues are budgeted in the year when expenditures will be incurred (revenue recognition after expenditure).

Similarly, unreserved fund balance may not all be available. Agency fund revenue increases the fund balance but may also be included in the fiscal year 2002-03 budget, such as property taxes or grant revenue with no eligibility requirements.

For the non-general funds, the availability of the increased fund balance is more easily determined. The fund balance is a financing source. For the General Fund, with its many departments, it may be more difficult to determine the revenue status for each department and the availability of General Fund fund balance.

Further discussion on fund balance restatements is provided in the MD&A under Financial Analysis of the County Funds - Governmental Funds Summary of Changes in Fund Balances.

INTERNAL AND BUDGETARY CONTROLS

The County maintains an internal control structure designed to ensure that assets of the government are protected from loss, theft, or misuse and to ensure adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and to ensure the reliability of financial records for preparing financial statements and maintaining accountability for assets.

The concept of reasonable assurance recognizes that the cost of the control should not exceed the benefits likely to be derived. We believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions. As a recipient of federal and state financial assistance, the County is also responsible for ensuring that an adequate internal control structure is in place to ensure and document compliance with applicable laws and regulations related to those programs.

In accordance with the California Government Code, the County adopts an annual budget for operations. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is at the department/budget unit and object level of expenditures, except capital assets which are controlled at the sub-object level. The Board has delegated authority to the County Executive Officer to approve appropriation transfers within each department under their authority to allow flexibility in managing their departments. Appropriation transfers between departments must be approved by the Board.

All unencumbered and unexpended appropriations lapse at the end of each fiscal year and become available to finance the next year's budget. Encumbered appropriations are reappropriated in the next year's budget. Encumbrances outstanding at year-end are recorded as reservations of fund balance in the governmental funds. Additional budgetary information is included in the Required Supplementary Information section of the CAFR.

CASH MANAGEMENT POLICIES AND PRACTICES

The Treasury manages a single cash pool for the purpose of increasing interest income through investment activities. Included in the pool are the internal pool component for County related cash and investments recorded in the various funds and an external pool component for other governmental agencies recorded as the Investment Trust Fund. The annualized yield for fiscal year 2001-02 was 3.94 percent. This yield compares favorably with the average yield of United States Treasury bills and notes for the same period.

Pooled investments are stated at fair value in accordance with GASB Statement No. 31. The total cash and investments held by the County Treasurer at June 30, 2002 totaled $1,067,941,000. Other cash and investments

are held by fiscal agents and in the pension trusts. Further information is available in Note 5 - Cash and Investments in the Notes to the Basic Financial Statements.

DEBT ADMINISTRATION

The County adheres to prudent financial practices regarding all debt financing. The short-term tax and revenue anticipation notes (TRANs) have received ratings of SP-1+ and MIG 1, the highest rating for short-term securities, by Standard & Poor's Corporation and Moody's Investors Services, respectively. The County intends to continue its conservative debt management and use short-term borrowing programs in future years as needed for cash flow purposes between property tax payments.

Voter-approved general obligation bonds outstanding for the Flood Control and Waterworks Districts amounted to $665,000. Total outstanding balances at June 30, 2002 for debt are $228,898,000 for governmental activities and $41,897,000 for business-type activities as described in Note 12 - Long-Term Debt in the Notes to the Basic Financial Statements.

Useful indicators of the County's debt position include the following: Ratio of general bonded debt to assessed value 0.00001; amount of bonded debt per capita $0.85; and legal debt limit $774,625,000. A ten-year summary of these indicators is provided in the Statistical Section of the CAFR.

RISK MANAGEMENT

The County is self-insured for various types of risk including general liability, property damage, unemployment and disability insurance and for the deductible on medical malpractice premiums (Note 16). The County became self-insured for worker's compensation effective July 1, 2002 due to increasing commercial premium costs. For group health insurance, the Human Resources Department obtained commercially insured plans and the Ventura County Health Care Agency administers a self-insured health plan.

The County records its risk management activities in various internal service and enterprise funds. The revenue received, funded liability reserves, and unrestricted net assets at June 30, 2002 are considered adequate by management to cover the ultimate cost to defend or settle claims arising from these risks. Care will be exercised to adequately fund the new self-insured worker's compensation program.

ON-LINE INFORMATION

Copies of this CAFR, the Single Audit Report, the County Proposed and Final Budgets, and the Tax Rates book may be obtained from the office of the County Auditor-Controller. The CAFR and Adopted Budget are also available on the internet, auditor.countyofventura.org. The County's web page, www.countyofventura.org includes information on most County departments, including the Auditor-Controller, as well as interactive sites. Information is available about the Board of Supervisors including email to the Board, the ability to watch live or archived Board meetings, board agendas, County job listings, County directories and general information, voter information, and County permits and forms.

OTHER INFORMATION

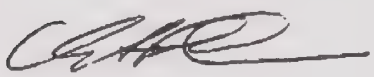
Certificate of Achievement The Government Finance Officers' Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the County for its Comprehensive Annual Financial Report for the year ended June 30, 2001. This was the 18th consecutive year the County has received this award.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized CAFR whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting the current report to GFOA to determine its eligibility for a Certificate of Achievement for Excellence in Financial Reporting for the year ended June 30, 2002.

Acknowledgments The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of the Auditor-Controller's Office, especially for GASB 34 implementation. I express my appreciation to members of the Auditor-Controller's Office and our independent auditors, KPMG LLP, all of whom assisted in and contributed to its preparation. I also thank the Board of Supervisors and the County Executive Office for their interest and support in planning and conducting the financial operations of the County in a responsive and effective manner.

Respectfully submitted,



CHRISTINE L. COHEN
Auditor-Controller

Certificate of Achievement for Excellence in Financial Reporting

Presented to

County of Ventura, California

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2001

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

COUNTY OF VENTURA
LISTING OF PRINCIPAL OFFICIALS
JUNE 30, 2002

ELECTED OFFICIALS

Board of Supervisors

District #1	Steve Bennett
District #2	Frank Schillo *
District #3	Kathy I. Long
District #4	Judy Mikels
District #5	John K. Flynn

Other Elected Officials

Assessor	Dan Goodwin
Auditor-Controller	Christine L. Cohen
Clerk and Recorder	Richard D. Dean *
District Attorney	Michael D. Bradbury *
Sheriff	Bob Brooks
Treasurer-Tax Collector/Public Guardian/Public Administrator	Harold S. Pittman *

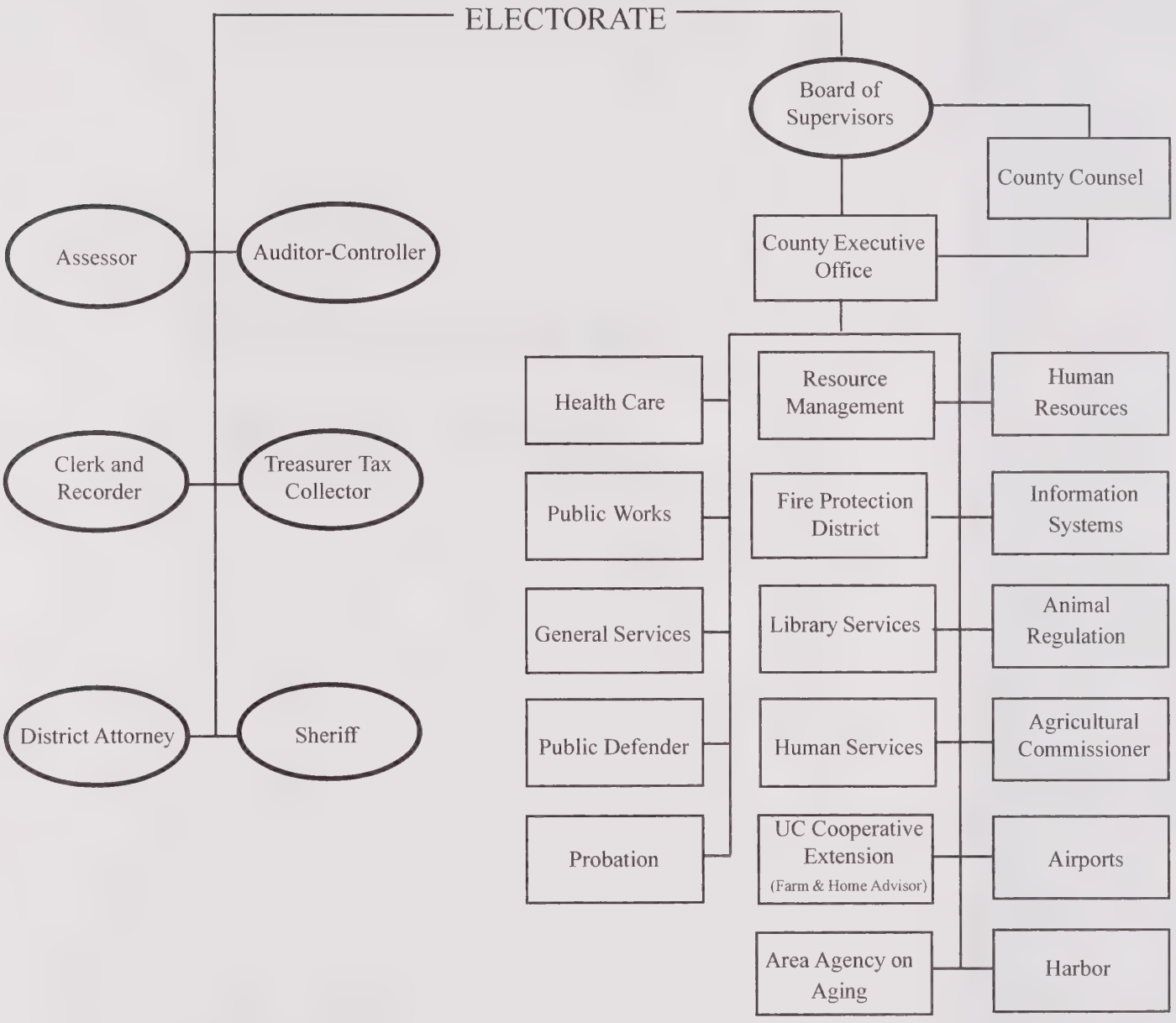
* Retired in fiscal year 2002-03

APPOINTED OFFICIALS

Agricultural Commission	W. Earl McPhail
Animal Regulation Department	Kathy Jenks
Area Agency on Aging	Colleen L. House
County Counsel	Frank O. Sieh
County Executive Office	John F. Johnston
Department of Airports	Scott E. Smith
Farm Advisor	Lawrence K. Yee
Fire Protection District	Bob Roper
General Services Agency	Paul W. Ruffin
Harbor Department	Lyn Krieger
Health Care Agency	Pierre Durand, DPA
Human Resources Department	Barbara A. Journet
Human Services Agency	Barbara Fitzgerald
Information Systems Department	J. Matthew Carroll
Library Services Agency	Starrett Kreissman
Probation Agency	Calvin C. Remington
Public Defender	Kenneth I. Clayman
Public Works Agency	Ronald Coons
Resource Management Agency	Thomas Berg

COUNTY OF VENTURA

ORGANIZATION CHART



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Financial Section

355 South Grand Avenue
Suite 2000
Los Angeles, CA 90071-1568

Independent Auditors' Report

The Honorable Board of Supervisors
County of Ventura, California:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Ventura, California, (County) as of and for the year ended June 30, 2002 which collectively comprise the County's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the County's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the basic financial statements of the Ventura County Employees' Retirement Association (VCERA), which statements are shown as the Pension Trust Fund and represent approximately 79% of the assets of the Fiduciary Funds. Those statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for VCERA, is based solely on the report of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the report of the other auditors provides a reasonable basis for our opinions.

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County of Ventura, California as of June 30, 2002 and the respective changes in financial position and cash flows, where applicable, for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in notes 1 and 3 of the notes to the basic financial statements, the County adopted the provisions of Government Accounting Standards Board Statements No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments: Omnibus*, No. 38, *Certain Financial Statement Note Disclosures*, and Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements, effective July 1, 2001.*

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In accordance with Government Auditing Standards, we have also issued a report dated January 24, 2003 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audit.

Management's discussion and analysis on pages 21 through 37, the required supplementary information on page 94 and 101, and the respective budgetary comparison schedules and note on pages 103 through 108 are not required parts of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole. The information in the introductory and statistical section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

January 24, 2003

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Management's Discussion and Analysis

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the County of Ventura's (County) Comprehensive Annual Financial Report presents a discussion and analysis of the County's financial performance during the fiscal year ended June 30, 2002. Please read it in conjunction with the transmittal letter at the front of this report and the County's basic financial statements following this section.

FINANCIAL HIGHLIGHTS

- The government-wide assets of the County (governmental and business-type) exceeded liabilities at the close of the 2001-2002 fiscal year by $896,515,000 (*net assets).* Of this amount, $178,816,000 *(unrestricted net assets)* may be used to meet ongoing obligations to citizens and creditors, $57,756,000 is restricted for specific purpose (*restricted net assets)*, and $659,943,000 is invested in capital assets, net of related debt.

- The government's total net assets increased by $94,845,000 during fiscal year 2001-02, primarily from governmental activities.

- As of June 30, 2002, the County governmental funds reported combined fund balances of $290,260,000, an increase of $38,454,000 in comparison with the prior year. Approximately 46 percent of the combined fund balances, $133,313,000 may be available to meet the County's current and future needs (*unreserved fund balance).* An analysis is required to determine the revenue status and availability. Please see transmittal letter.

- At the end of the fiscal year, unreserved fund balance for the general fund was $37,881,000 or 6 percent of total general fund expenditures. The budgetary fund balance on the Adopted Budget for fiscal year 2002-03 was $4,465,000.

- The County's total long-term debt increased by $24,618,000 in comparison with the prior year. The debt was primarily decreased by the refunding of Public Facilities Corporation IV and increased by the new financing provided by the County's issuance of the 2001 Certificates of Participation. Major debt projects funded by such increased debt are the Juvenile Justice Complex and the Medical Center's new medical laboratory and dietary facility.

The Management's Discussion and Analysis presents information as follows:

Overview of the Basic Financial Statements . . . . . .page 22
Government-wide Financial Analysis . . . . . .page 26
Financial Analysis of the County's Funds . . . . . .page 30
General Fund Budgetary Highlights . . . . . page 34
Capital Assets and Debt Administration . . . . . .page 35
Other Potentially Significant Matters . . . . . page 37
Requests for Information . . . . . .page 37

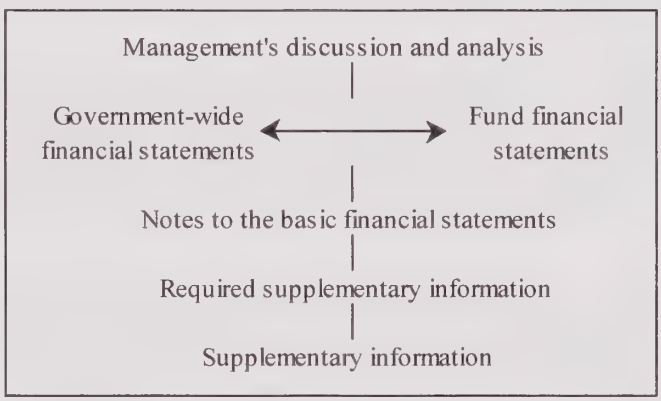
OVERVIEW OF THE BASIC FINANCIAL STATEMENTS

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components:

1) Government-wide financial statements
2) Fund financial statements
3) Notes to the basic financial statements.

Required supplementary information, supplementary information and statistical information are also included in the Comprehensive Annual Financial Report.

The following diagram displays the interrelationships of this report.



Government-wide Financial Statements This entirely new set of financial statements created by Governmental Accounting Standards Board Statement No. 34 (GASB 34) and its related Statements, GASB 37 and 38 and Interpretation No. 6, are designed to provide readers with a broad overview of County finances, in a manner similar to a private-sector business. The primary change for the *statement of net assets* and *statement of activities* is the use of the flow of economic resources measurement focus and accrual basis of accounting. The focus and basis emphasize the *long-term* view of the County's finances.

The *statement of net assets* presents information on all County assets and liabilities, with the differences between the two reported as *net assets.* Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The *statement of activities* presents information showing how net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows.* Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g. uncollected taxes and earned but unused vacation leave).

The government-wide financial statements include several new concepts:

- The government-wide statements include only those funds/entities representing resources available to the County. Therefore, the financial information for the trust funds for Ventura County Employees' Retirement Association (VCERA), Supplemental Retirement Plan (SRP), and external investment trusts are not included in the government-wide financial statements. The financial statements for the discretely presented component unit, Children and Families First Commission (Commission), are provided in a separate column.

- The statement of activities distinguishes functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities)* from other functions that are intended to recover all or a portion of their costs through user fees and charges (*business-type activities).*

- In addition the statement of activities compares the direct expenses and program revenue for each governmental function and each segment of business-type activities. The general revenue (non-program revenue) must then cover the net cost of the various activities. The governmental activities of the County include general government, public protection, public ways and facilities, health and sanitation, public assistance, and education. The business-type activities of the County include the hospital, utilities, recreation, airports and medical insurance.

- Because the internal service funds primarily serve the governmental funds, the internal service funds' activity is eliminated with net balances also reported in the governmental activities column. Additional elimination of transfers and activity occur within the governmental activities and within the business-type activities.

Component units are included in the basic financial statements and consist of legally separate entities for which the County is financially accountable. *Blended component units* have substantially the same governing board as the County or provide services entirely to the County and are reported on the fund statements and, if appropriate, as governmental activities on the government-wide financial statements. Examples include the Fire Protection District, the County's flood control districts, and VCERA. The Commission is reported as a *discretely presented component unit* because the County Board appoints the commission board members to serve at will.

The government-wide financial statements can be found on pages 39-41 of this report.

Fund Financial Statements report on groupings of related funds and accounts that are used to maintain control over resources that have been segregated for specific activities or objectives. A fund is a separate accounting classification with a self-balancing set of accounts. The County, like other state and local governments, uses fund accounting to demonstrate finance-related legal compliance.

There are several new treatments on the fund financial statements since implementation of GASB 34—emphasis on major funds, inclusion of all County agency funds within the applicable funds, and elimination of intra-fund activity.

- The fund financial statements emphasize *major funds* as determined by minimum criteria set forth in GASB Statement No. 34 with separate columns for each major fund. The non-major funds are presented in an aggregated single column on the governmental funds financial statements. There are four major governmental funds: the General Fund, Roads, Flood Control Districts and the Fire Protection District. There are three major enterprise funds: Medical Center, Department of Airports and Waterworks Districts. Individual fund data for each of the non-major funds is provided in the form of *combining statements* elsewhere in this report.

- The GASB 34 funds financial statements include all balances of County funds held in agency funds with cash and other accounts recorded within the related fund. The remaining agency funds included on the funds financial statements contain amounts due to others outside of the government, such as property taxes to be distributed.

- All intra-fund balances have been eliminated within the various fund columns as presented on this report. The elimination within the same fund column of due to/froms, transfers and intra-fund revenue and expenditures between governmental organizations within the same fund avoids grossing up revenues and expenditures.

All of the funds of the County can be divided into three categories: *governmental funds, proprietary funds* and *fiduciary funds.*

Governmental funds are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. The governmental funds include the general fund, special revenue funds, debt service funds and capital projects funds. However, unlike the government-wide financial statements, governmental funds financial statements use the current financial resources measurement focus and the modified accrual basis of accounting. The focus and basis emphasize the *near-term inflows* and *outflows of spendable resources,* as well as the balances of *spendable resources available* at the end of the fiscal year. Such information may be useful in evaluating a county's near-term financing requirements.

The County maintains over sixty individual governmental funds in its financial system and presents them grouped by related activities as twenty-five separate governmental funds on this report. The equity for fund financial statements continues to be displayed as reserved and unreserved fund balance. Purchase of capital assets and payment of principal on debt continue to be expensed on fund financial statements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The governmental funds financial statements can be found on pages 44-50 of this report.

Proprietary funds are maintained in two fund types—enterprise funds and internal service funds.

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the operations of the Medical Center, Department of Airports, Waterworks Districts, Parks, Channel Islands Harbor Expansion, Channel Islands Harbor, and the Ventura County Health Care Plan. Over thirty enterprise funds are reported on the County's financial system and grouped by related activities as seven enterprise funds on this report. The major funds are presented on the proprietary fund financial statements with detail of non-major funds provided in the combining statements in the supplementary information section.

Internal service funds are used to accumulate and allocate costs for services provided to the County's various departments. The County uses internal service funds to account for its public works services, heavy equipment, transportation, general insurance (liability and workers' compensation), information systems, general services, employee benefits insurance, and personnel services. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The County's eight internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data for the internal service funds is provided in *combining statements* in the supplementary information section.

The proprietary funds financial statements can be found on pages 51-54 of this report.

Fiduciary funds, including the *trust and agency funds*, are used to account for resources held for the benefit of parties outside the government. Trust funds include the VCERA and SRP pension plans and the investment trust fund which includes external users of the County's investment pool, the primary participant being the schools. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for trust funds is much like that used for proprietary funds. Agency funds are held for others and report only assets and liabilities.

The fiduciary funds financial statements can be found on pages 55-56 of this report.

Notes to the Basic Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These informative notes can be found on pages 57-100 of this report and are also itemized on the Table of Contents.

Required Supplementary Information is presented including the required pension schedules and the major governmental funds budgetary schedules. The SRP schedule of funding progress and schedule of employer contributions demonstrate the SRP obligation to provide pension benefits to County employees. The VCERA schedules are provided in its own separate financial statements with certain information in Note 14 of the Notes to the Basic Financial Statements.

The County adopts an annual appropriated budget for its governmental funds as required by Government Code. In the required supplementary information section, a budgetary comparison schedule is provided for all the

major funds to demonstrate compliance with the final budget. Due to the large number of funds and departments, a separate Departmental Budget Report of Revenues and Expenditures – Budget and Actual on a Budgetary Basis has been prepared. The separate report is at the department/budget unit, function, and object level for those funds for which the County is legally required to adopt a budget. This document is available from the Auditor-Controller's office, 800 South Victoria, CA 93009-1540.

Required supplementary information can be found on pages 101-108 of this report.

Supplementary Information includes the combining and individual fund statements, schedules to provide information for non-major governmental funds and enterprise funds and for individual internal service funds beginning on page 109 of this report. Statistical information is also provided beginning on page 155 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The year ended June 30, 2002 is the first period that the County applied Governmental Accounting Standards Board (GASB) Statement No. 34 and subsequent accounting pronouncements. The County has reviewed prior financial information in order to restate the beginning fund balances but did not prepare proforma financial statements to restate prior period revenue and expenditures. Therefore, prior year information is not available for purposes of providing complete comparative data for the Management Discussion and Analysis. However, in future years, when prior year information is available on a GASB 34 basis, comparative analyses of government-wide data will be presented.

Government-wide Summary of Net Assets

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by $896,515,000 at the close of the most recent fiscal year. A summary of net assets is as follows:

Summary of Net Assets
June 30, 2002
(In Thousands)

	Governmental Activities	Business-type Activities	Total
Current and other assets	$ 550,490	$ 100,551	$ 651,041
Capital assets	612,210	145,725	757,935
Total assets	$ 1,162,700	$ 246,276	$ 1,408,976
Current and other liabilities	$ 218,020	$ 23,646	$ 241,666
Long-term liabilities	228,898	41,897	270,795
Total liabilities	446,918	65,543	512,461
Net assets:			
Invested in capital assets, net of related debt	534,767	125,176	659,943
Restricted net assets	36,106	21,650	57,756
Unrestricted net assets	144,909	33,907	178,816
Total net assets	715,782	180,733	896,515
Total liabilities and net assets	$ 1,162,700	$ 246,276	$ 1,408,976

Net assets include three components: *Invested in capital assets net of related debt, restricted net assets and unrestricted net assets.*

A significant component of the County's net assets of $659,943,000 (73.6 percent) reflects the County's investment in capital assets net of accumulated depreciation (land, structures, equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Another component of the County's net assets, restricted net assets of $57,756,000 (6.4 percent) represents resources that are subject to external restrictions on how they may be used. Unspent proceeds of borrowings for County projects in governmental and business-type activities are offset by restricted net assets. Therefore, these net assets are not available for other uses by the County.

The third portion of the County's net assets represents unrestricted net assets of $178,816,000 (20 percent) which may be used to meet the County's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the County reported positive balances in all three categories of net assets, both for the County as a whole, as well as for its separate governmental activities. For business-type activities, the County reported a positive balance in unrestricted net assets for the County as a whole. A $9,284,000 negative unrestricted net assets for the Medical Center is discussed in the Financial Analysis of the County's Funds section of this MD&A.

The County's net assets increased by $94,845,000 during the current fiscal year primarily as a result of the change in measurement focus and basis of accounting from the near-term inflows and outflows of spendable resources of the fund financial statements to the long-term view of the government-wide financial statements. A reconciliation in the basic financial statements between government-wide and fund financial statements is provided following the Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances for governmental funds and the Statement of Revenues, Expenses and Changes in Net Assets for proprietary funds.

Government-wide Summary of Activities

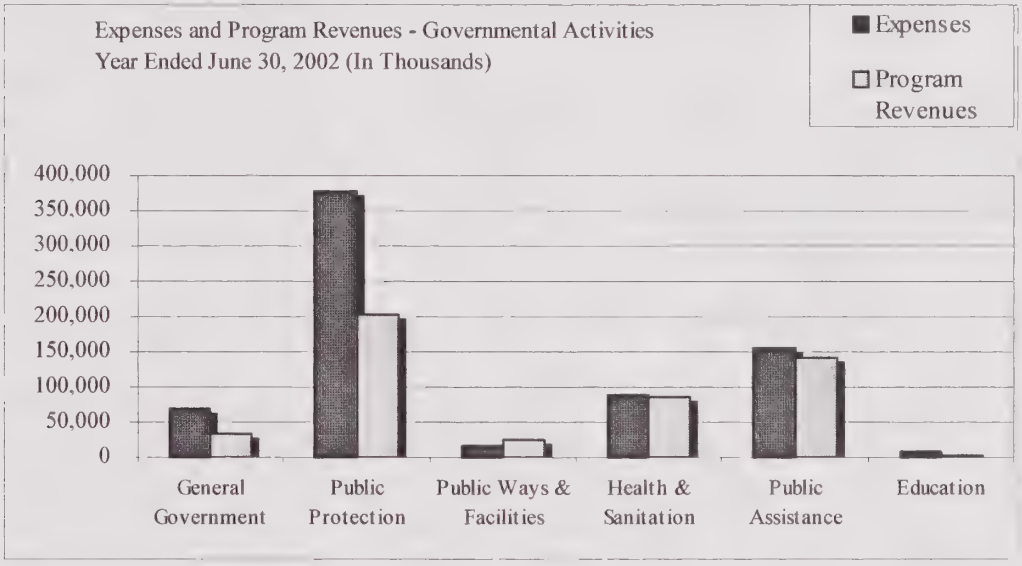
The following table indicates the revenue, expenses and changes in net assets for governmental and business-type activities:

Summary of Activities
For the Year Ended June 30, 2002
(In Thousands)

	Governmental Activities	Business-type Activities	Total
Revenues:			
Program revenues:			
Charges for services	$ 163,050	$ 152,310	$ 315,360
Operating grants and contributions	323,601	14	323,615
Capital grants and contributions	7,181	2,212	9,393
General revenues:			
Property taxes	183,572	56	183,628
Other taxes	12,560	-	12,560
Motor vehicle in-lieu taxes	54,388	-	54,388
Aid from other governmental units	43,301	-	43,301
Interest and investment earnings	11,323	1,965	13,288
Other	36,915	(695)	36,220
Total revenues	835,891	155,862	991,753
Expenses:			
General government	70,010	-	70,010
Public protection	378,410	-	378,410
Public ways and facilities	16,826	-	16,826
Health and sanitation	90,213	-	90,213
Public assistance	156,419	-	156,419
Education	8,223	-	8,223
Interest on long-term debt	13,342	-	13,342
Medical Center	-	122,539	122,539
Department of Airports	-	3,996	3,996
Waterworks Districts	-	15,375	15,375
Parks Department	-	2,253	2,253
Channel Islands Harbor Expansion	-	1,028	1,028
Channel Islands Harbor	-	4,665	4,665
Health Care Plan	-	13,609	13,609
Total expenses	733,443	163,465	896,908
Excess (deficiency) before transfers	102,448	(7,603)	94,845
Transfers	(9,149)	9,149	-
Change in net assets	93,299	1,546	94,845
Net assets - July 1, 2001	622,483	179,187	801,670
Net assets - June 30, 2002	$ 715,782	$ 180,733	$ 896,515

Governmental activities. Governmental activities as reflected in the Statement of Activities increased the County's net assets by $93,299,000, thereby accounting for 98 percent of the total growth in the County's net assets. The statement of activities displays the direct expenses and the program revenues for the governmental and business-type activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include: 1) charges paid by the recipients of goods or services offered by the programs, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including almost all taxes, are presented as general revenues.

The bar chart below depicts the relationships of the governmental direct expenses to program revenues:

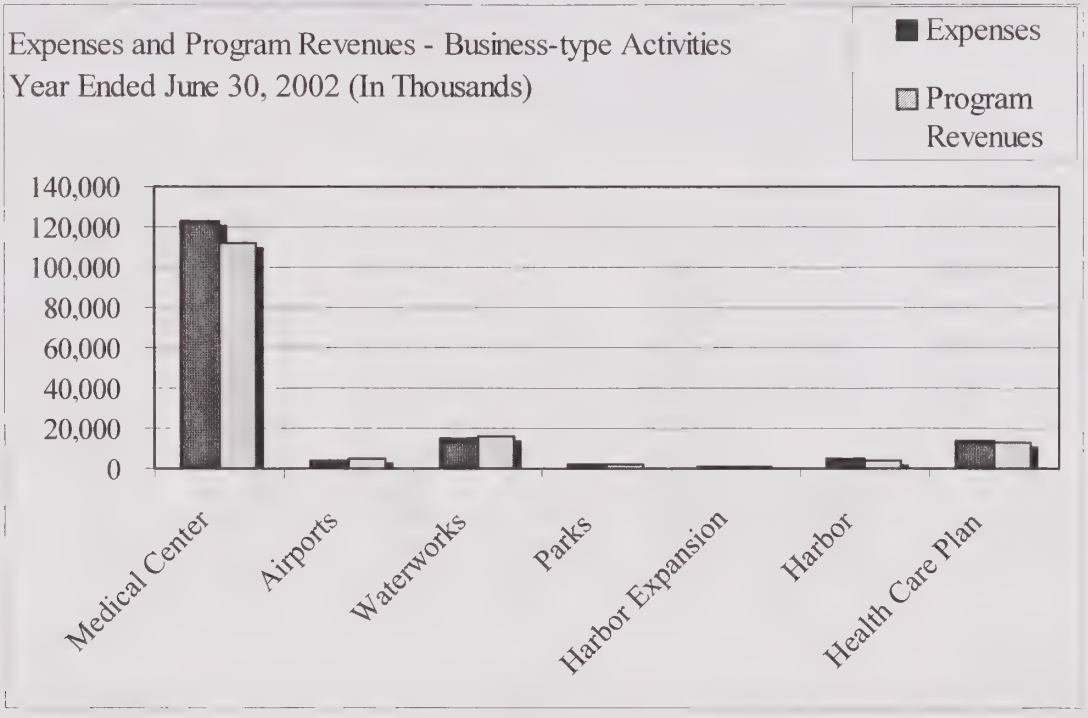


The largest user of general revenues based on the difference between expenses and program revenue is public protection. The public protection revenue includes contract services, operating grants (including Proposition 172 public safety state sales tax), and capital grants. The public protection expenses include depreciation and compensated absences expense (excluded from budget process) and excludes capital outlay and principal payments (included in budget process). The detail from the larger departments is as follows (in thousands):

Public Protection			Use of General Revenues	
Department	Expenses	Revenue	General Fund	Other Fund
Sheriff Policing	$ 93,253	$ 51,732	$ 41,521	$ -
Sheriff Detention	63,020	30,051	32,969	-
District Attorney	27,878	13,447	14,431	-
Probation Services	34,008	19,415	14,593	-
Public Defender	9,154	2,538	6,616	-
Fire Protection District	65,561	9,531	-	56,030
Flood Control Districts	13,009	19,994	-	(6,985)
Other Public Protection	72,527	54,956	16,344	1,227
Total Public Protection	$ 378,410	$ 201,664	$ 126,474	$ 50,272

The other public protection area includes over twenty departments: general fund portion of court costs, indigent legal services, grand jury, resource management agency (building and safety, planning, and weights and measures), solid waste, medical examiner, child support services, public administrator, county clerk and recorder, animal regulation, agricultural commissioner, and others.

Business-type activities. Business-type activities increased net assets by $1,546,000 or 2 percent of the total growth in the County's net assets. The bar chart below depicts the relationships of the business-type activities direct expenses to program revenues:



FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

As noted earlier, the County uses *fund accounting* to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The County's general government functions are accounted for in the County's general, special revenue, debt service, and capital project funds. Included in these funds are the special districts governed by the Board of Supervisors. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the County's financing requirements. In particular, unreserved fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2002, the County's governmental funds reported combined fund balances of $290,260,000, an increase of $38,454,000 compared with the prior year. Approximately 46 percent of the combined fund balances, $133,313,000, constitutes *unreserved fund balance,* which is available to meet the County's current and future needs.

Approximately $156,947,000 of the County's combined fund balance is *reserved* indicating that it is *not* available for new spending because it has been committed as follows: 1) to pay debt service ($19.4 million); 2) to reflect inventories and other balance sheet accounts that are long-term in nature and thus not representing available spendable resources ($3.4 million); 3) to liquidate contractual commitments of the period (encumbrances of $25.6 million); 4) to record available funding that is legally restricted for specific uses ($14.1 million); and 5) to record funds previously approved by the Board as being specifically designated for future uses ($94.4 million). Detail of reserved fund balance is provided in Note 13 of the Notes to the Basic Financial Statements.

The General Fund is the chief operating fund of the County. At June 30, 2002, the general fund's unreserved fund balance was $37,881,000 while total fund balance reached $109,080,000. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total general fund expenditures including other financing uses. The County's General Fund unreserved fund balance represents 6 percent of total general fund expenditures, while total fund balance represents 18 percent of that same amount.

Governmental Funds Fund Statement Revenues

Revenues for governmental functions totaled approximately $826,422,000 in fiscal year 2001-2002. The largest sources are aid from other governmental units at 52 percent, taxes at 23.7 percent and charges for services at 12.8 percent. The County, like other California counties, is very dependent on distributions from state and federal governments for sustaining support. The table below depicts the amount of revenues from various revenue sources:

Revenues Classified by Source
Governmental Funds
June 30, 2002
(In Thousands)

Revenues by Source	Amount	Percent of Total
Taxes	$ 196,035	23.72%
Licenses, permits, and franchises	11,730	1.42%
Fines, forfeitures, and penalties	16,870	2.04%
Revenues from use of money and property	9,781	1.18%
Aid from other governmental units	430,019	52.03%
Charges for services	105,827	12.81%
Other	56,160	6.80%
Total	$ 826,422	100.00%

Governmental Funds Fund Statement Expenditures

Expenditures for governmental fund functions totaled approximately $816,214,000. The largest functions are public protection at 46 percent, public assistance (human services) at 19 percent and health and sanitation at 11 percent. The following table presents governmental expenditures by function:

Expenditures By Function
Governmental Funds
June 30, 2002
(In Thousands)

Expenditures by Function	Amount	Percent of Total
General government	$ 69,009	8.46%
Public protection	372,040	45.58%
Public ways and facilities	15,766	1.93%
Health and sanitation services	89,943	11.02%
Public assistance	156,043	19.12%
Education	8,350	1.02%
Capital outlay	59,948	7.34%
Debt service - principal retirement	33,275	4.08%
Debt service - interest and fiscal charges	11,840	1.45%
Total	$ 816,214	100.00%

Governmental Funds Fund Statement Financing Sources and Uses

Other financing sources and uses include proceeds of debt, payments to refunding escrow agent, and transfers in and out. The table below depicts other financing sources and uses:

Other Financing Sources (Uses)
Governmental Funds
June 30, 2002
(In Thousands)

	Amount	Percent of Total
Proceeds from long-term debt	$ 51,842	183.54%
Payment to refunding escrow agent	(11,766)	(41.66)%
Transfers in	66,640	235.93%
Transfers out	(78,470)	(277.81)%
Net financing sources (uses)	$ 28,246	100.00%

Proceeds of debt represent the governmental share of the County's issuance of its 2001 Certificates of Participation. Proceeds from this long-term debt are funding the Juvenile Justice Complex and the Medical Center projects, among others. The caption, "payment to the refunding escrow agent", represents part of the refunding of Public Facilities Corporation IV, described in Note 12, Long Term Debt in the notes to the basic financial statements.

Transfers in and out represent the movement of funding for capital projects, lease payments, or debt service ($47,204,000); subsidies of various County operations ($18,166,000); payments required to qualify for the SB 855 Disproportionate Share Hospital program of the Medical Center ($17,526,000); the return of savings on pension obligation bonds to the General Fund ($1,867,000); and the re-allocation of tobacco settlement revenues to provider departments ($11,878,000). Fund detail is presented in Note 8.

Governmental Funds Fund Statements Summary Changes in Fund Balances

The current-year excess of revenues and other financing sources over expenditures and other financing uses and changes in fund balance in the County governmental funds is presented below:

Summary of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2002
(In Thousands)

	Major Funds				Nonmajor Funds			
	General Fund	Roads	Flood Control	Fire Protection	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total
Revenues	$ 620,804	$ 24,774	$ 30,583	$ 72,158	$ 26,859	$ 25,250	$ 25,994	$ 826,422
Expenditures	(603,746)	(20,030)	(18,150)	(70,564)	(27,722)	(37,738)	(38,264)	(816,214)
Other financing sources (uses), net	(11,702)	(307)	(295)	(372)	(287)	26,983	14,226	28,246
Excess (deficiency) of revenues and other financing sources over (under) expenditures and other financing uses	5,356	4,437	12,138	1,222	(1,150)	14,495	1,956	38,454
Fund balances - July 1, 2001, as restated	103,689	42,617	62,923	21,337	12,932	4,909	3,307	251,714
Change in reserve for inventory	35	-	-	59	(2)	-	-	92
Fund balances - June 30, 2002	$ 109,080	$ 47,054	$ 75,061	$ 22,618	$ 11,780	$ 19,404	$ 5,263	$ 290,260

Implementing GASB 34 and subsequent pronouncements required restatements of the beginning fund balances/ net assets of the County funds on the fund financial statements. The primary changes on the fund statements were increased fund balance caused by revenue recognition from reporting all County agency funds within the related County fund and GASB Interpretation 6 recognition of only matured liabilities. The reason for the restatements was to enable the financial statements to include only activities for the fiscal year 2001-02.

The beginning balance at June 30, 2002, of the General Fund total fund balance was restated from $48,331,000 to $103,689,000 as follows: revenue recognition previously reported as agency fund balances, $42,181,000, and reduction of short-term unmatured compensated absences liability of $13,177,000. Among the larger revenue sources recognized in the restatement of fund balance was property taxes of approximately $25 million.

As currently required, County agency funds were recognized as revenues, deferred revenues, or liabilities in the County funds. In previous years, the County reported some agency fund activity within the County funds, with the preponderance of agency fund balances considered restricted prior to GASB 33 and 34 definitions.

Proprietary Funds Fund Statements The County's proprietary funds provide the same type of information found in the government-wide business-type activity financial statements, but in more detail. The table below depicts Enterprise Fund actual revenues, expenses and changes in net assets for the current fiscal year:

Summary of Revenues, Expenses, and Changes in Fund Net Assets
Enterprise Funds
Year Ended June 30, 2002
(In Thousands)

	Major Funds			Non-major Funds				
	Medical Center	Department of Airports	Waterworks Districts	Parks	Harbor Expansion	Harbor	Health Care Plan	Total
Operating revenues	$ 112,198	$ 3,680	$ 15,851	$ 1,821	$ 1,471	$4,245	$13,044	$ 152,310
Operating expenses	(121,475)	(3,974)	(15,361)	(2,247)	(902)	(4,645)	(13,596)	(162,200)
Operating income (loss)	(9,277)	(294)	490	(426)	569	(400)	(552)	(9,890)
Non-operating revenues (expenses), net	(795)	1,538	907	421	54	119	105	2,349
Income (loss) before transfers	(10,072)	1,244	1,397	(5)	623	(281)	(447)	(7,541)
Transfers	8,521	-	(51)	315	(446)	810	-	9,149
Increase (decrease) in net assets	(1,551)	1,244	1,346	310	177	529	(447)	1,608
Net assets beginning restated	36,312	33,195	85,056	13,548	5,182	4,301	1,593	179,187
Net assets - ending	$ 34,761	$ 34,439	$ 86,402	$13,858	$ 5,359	$4,830	$ 1,146	$ 180,795

The net loss before transfers of ($7,541,000) for all enterprise funds resulted primarily from a net loss of ($10,072,000) for the Medical Center. The net loss for the Medical Center before contributions and transfers increased by $2,294,000 when compared to the prior year and was attributable primarily to the higher salary and employee benefit and insurance expenses partially offset by higher operating revenues.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original Budget Compared to Final Budget

Appropriations for the General Fund final budget, including transfers out, exceeded the original budget by $16,842,000. Some of the larger changes are summarized below.

Intergovernmental transfers to the state relating to the SB 855 Disproportionate Share Hospital program were estimated to exceed the original budget by $7,689,000. Approximately $4,852,000 of the increase was attributable to higher estimates of expenditures related to various public assistance programs. The acceptance of additional grants accounted for an increase in related appropriations of about $2,858,000. The payoff of a helicopter capital lease accounted for an increase of $6,440,000. Appropriations for the tobacco settlement program were reduced by $15,660,000 by Board action, which designated the amount for future financing needs.

Estimated revenues for the General Fund final budget, including transfers in, exceeded the original budget by $35,247,000. The larger changes are described as follows. Aid from other governmental units increased by $15,455,000 as a result of increased funding for various public assistance programs and grants. Transfers in increased by $6,440,000 for the payoff of a helicopter capital lease and $7,689,000 related to the SB 855 program.

Final Budget Compared to Actual Expenditures and Revenues

The final budget appropriations exceeded actual expenditures by $52,411,000 while the final budget estimated revenues exceeded actual revenues by $36,759,000. The resulting combined positive budgetary variance was $15,652,000. The largest revenue shortage was $24,691,000 in aid from other governmental units due to related expenditures not incurred. The largest expenditure savings were $27,433,000 in services and supplies and $11,745,000 in salaries and benefits.

Budgetary information is included in the Required Supplementary Information (RSI) section including Notes to the RSI.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - Government-wide Financial Statements

The County's investment in capital assets for its governmental and business-type activities as of June 30, 2002, (at cost) amounted to $1,031,821,000 or $757,935,000 (net of accumulated depreciation). This investment in capital assets includes land and land improvements, structures and improvements, equipment, vehicles, infrastructure, and construction in progress. The total increase in the County's investment in capital assets for the current period was 8 percent.

For government-wide financial statement presentation, all depreciable capital assets were depreciated from acquisition date to the end of the current fiscal year. Governmental fund financial statements record capital asset purchases as expenditures.

Capital assets for the governmental and business-type activities are presented below to illustrate changes from the prior year (in thousands):

	Governmental activities		Business-type activities		Total		Increase/ (Decrease)
	2002	2001 as restated	2002	2001 as restated	2002	2001 as restated	Percent of Change
Land and improvements	$202,903	$200,419	$45,324	$45,667	$248,227	$246,086	0.87%
Structures and improvements	268,827	261,147	119,915	119,906	388,742	381,053	2.02%
Equipment	80,406	78,369	21,838	20,639	102,244	99,008	3.27%
Vehicles	58,531	52,254	529	529	59,060	52,783	11.89%
Infrastructure	123,864	123,587	0	0	123,864	123,587	0.22%
Construction in progress	73,831	28,856	35,853	27,129	109,684	55,985	95.92%
	$808,362	$744,632	$223,459	$213,870	$1,031,821	$958,502	7.65%

Major capital asset events during the current fiscal year included the following:

- Construction in progress had a net increase of $53,699,000. Additions included the juvenile justice center project ($27,066,000), flood control projects ($4,861,000), medical center improvements ($4,123,000), sheriff's helicopter ($4,038,000), road construction projects ($3,203,000), and various other projects ($12,421,000). Construction in progress was reduced by transfers of completed projects of $2,013,000 to structures and improvements and equipment.

- Infrastructure assets of $277,000 were added during the year, all of which were part of the traffic signal subsystem of the road network.

The County's infrastructure assets for the Roads network are recorded at historical cost in the government-wide financial statements as required by GASB Statement No. 34. Historical cost of the Flood Control network is not available as of June 30, 2002 and therefore, not yet presented in the financial statements. It is planned to include flood control infrastructure in the year ended June 30, 2004.

Debt - Government-wide Financial Statements

At June 30, 2002, the County had total debt outstanding of $218,819,000, excluding capital leases, compensated absences and other liabilities. The following table summarizes the categories of debt. During the year, retirement of debt amounted to $50,677,000. Additions amounted to $79,425,000. The following table summarizes the debt outstanding balances at June 30, 2002 (in thousands):

	Governmental Activities	Business-type Activities	Total
General obligation bonds	$ 575	$ 90	$ 665
Certificates of participation and lease revenue bonds	55,449	32,045	87,494
Tax exempt commercial paper	21,713	2,087	23,800
Loans payable	338	3,342	3,680
Pension obligation bonds	103,180	-	103,180
	$ 181,255	$ 37,564	$ 218,819

For the fiscal year 2001-02 County debt limit is determined by statute at 1.25 percent of total assessed valuation or approximately $774,625,000. The general bonded debt per capita is $0.85. The general obligation debt subject to the debt limit is $218,819,000 which is under the limit by $555,806,000.

The County's debt utilization policy establishes the review process by the Financial Planning Committee before submission to the Board of Supervisors and central coordination by the County Executive Officer. The policy outlines a fiscally conservative basis for borrowing to include short-term needs and borrowing for certain assets with substantial economic lives. The benchmarks include County debt outstanding at less than one percent of the assessed valuation and debt service payments not greater than six per cent of total General Fund expenditures.

The County, like other local governments, has an annual borrowing program which finances operations during periods of low cash flows due to periodic collection dates for property taxes. On July 3, 2001, the County issued $80,000,000 in Tax and Revenue Anticipation Notes (TRANs). Standard & Poor's Corporation and Moody's Investors Services gave the TRANs the highest rating for short-term securities of SP-1+ and MIG 1, respectively. At June 30, 2002, the outstanding balance was $80,000,000 that was paid with interest on July 2, 2002, the maturity date of the notes.

OTHER POTENTIALLY SIGNIFICANT MATTERS

The economic health of the federal and state governments will impact the county governments due to changes in funding levels and program requirements. While facing possible cuts in aid from other governmental units (the source of over one-half of County funding), the County also is facing upward pressures on expenditures: salary and benefit increases related to negotiated agreements, the reinstatement of required retirement contributions after four years with no required contribution; increasing benefit costs for health insurance and workers' compensation insurance; and the opening of the new Juvenile Justice Complex requiring increased operational funding.

Additional information is provided in Note 17 Contingencies and Note 18 Subsequent Events in the Notes to the Basic Financial Statements, as well as the transmittal letter on page 5 of this report.

REQUESTS FOR INFORMATION

County information is on-line at www.countyofventura.org.

The financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Further requests for information on this report or for the separate reports for the Public Facilities Corporation or the Public Financing Authority should be addressed to the Auditor-Controller, 800 South Victoria Avenue, Ventura, CA 93009-1540.

Questions concerning any of the information provided in this report regarding the discretely presented component unit, Children and Families First Commission, or requests for additional information should be addressed to the Executive Director, 2850 East Main Street, Suite 302, Ventura, CA 93003.

Questions concerning any of the information provided in this report or requests for addition information on the separate financial report of VCERA should be addressed to the Retirement Administrator, 1190 South Victoria Avenue, Suite 200, Ventura, CA 93003-6572.

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Basic Financial Statements

Basic Financial Statements

Government-Wide Financial Statements

COUNTY OF VENTURA
STATEMENT OF NET ASSETS
JUNE 30, 2002
(In Thousands)

	Primary Government			Discretely Presented Component Unit
	Governmental Activities	Business-type Activities	Total	
ASSETS				
Cash and investments (Note 5)	$ 432,462	$ 49,195	$ 481,657	$ 37,863
Receivables (net) (Note 7)	101,237	35,600	136,837	2,314
Advances and loans receivable (Note 13)	2,301	-	2,301	-
Internal balances (Note 8)	5,260	(5,260)	-	-
Due from primary government (Note 8)	-	-	-	41
Due from component unit (Note 8)	1	-	1	-
Due from other governmental agencies (Note 8)	2,032	-	2,032	-
Inventories and other assets	5,653	1,958	7,611	19
Deferred charges	586	414	1,000	-
Unamortized bond discount	326	-	326	-
Restricted cash and investments (Note 5)	632	18,644	19,276	-
Capital assets (Note 9):				
Nondepreciable	276,491	55,074	331,565	-
Depreciable, net	335,719	90,651	426,370	-
Total assets	$ 1,162,700	$ 246,276	$ 1,408,976	$ 40,237
LIABILITIES				
Accounts payable	$ 37,929	$ 9,737	$ 47,666	$ 1,414
Tax and revenue anticipation notes payable (Note 15)	80,000	-	80,000	-
Accrued liabilities (Note 10)	50,404	4,506	54,910	26
Due to primary government (Note 8)	-	-	-	1
Due to component unit (Note 8)	41	-	41	-
Due to other governmental agencies (Note 8)	1,161	6	1,167	-
Deferred revenue	29,061	1,271	30,332	-
Unamortized bond premium	1,671	544	2,215	-
Accrued insurance losses (Note 16)	17,753	2,202	19,955	-
Medical malpractice liability (Note 16)	-	4,925	4,925	-
Deposits	-	224	224	-
Other liabilities	-	231	231	-
Long-term liabilities (Note 12):				
Due within one year	42,250	4,983	47,233	-
Due beyond one year	186,648	36,914	223,562	-
Total liabilities	446,918	65,543	512,461	1,441
NET ASSETS				
Invested in capital assets, net of related debt (Notes 9 & 12)	534,767	125,176	659,943	-
Restricted (Note 13)	36,106	21,650	57,756	74
Unrestricted	144,909	33,907	178,816	38,722
Total net assets	715,782	180,733	896,515	38,796
Total liabilities and net assets	$ 1,162,700	$ 246,276	$ 1,408,976	$ 40,237

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

		Program Revenues		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Functions/Programs:				
Primary government:				
Governmental activities:				
General government	$ 70,010	$ 23,885	$ 10,665	$ -
Public protection	378,410	103,056	95,999	2,609
Public ways and facilities	16,826	457	24,747	541
Health and sanitation services	90,213	33,231	53,516	-
Public assistance	156,419	1,304	138,005	3,147
Education	8,223	1,117	669	884
Interest on long-term debt	13,342	-	-	-
Total governmental activities	733,443	163,050	323,601	7,181
Business-type activities:				
Medical Center	122,539	112,198	-	-
Department of Airports	3,996	3,680	-	1,375
Waterworks Districts	15,375	15,851	14	76
Parks Department	2,253	1,821	-	646
Channel Islands Harbor Expansion	1,028	1,471	-	-
Channel Islands Harbor	4,665	4,245	-	115
Health Care Plan	13,609	13,044	-	-
Total business-type activities	163,465	152,310	14	2,212
Total primary government	$ 896,908	$ 315,360	$ 323,615	$ 9,393
Component unit:				
Children and Families First Commission	$ 3,575	$ -	$ 11,572	$ -
General revenues:				
Taxes:				
Property taxes				
Property transfer taxes				
Sales and use taxes				
Aid from other governmental units				
Other				
Motor vehicle in-lieu taxes				
Interest and investment earnings				
Loss on disposal of capital assets				
Transfers				
Total general revenues and transfers				
Change in net assets				
Net assets - July 1, 2001				
Net assets - June 30, 2002				

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

Net (Expenses) Revenues and Changes in Net Assets				
Primary Government			Discretely Presented	
Governmental Activities	Business-type Activities	Total	Component Unit	Functions/Programs:
				Primary government:
				Governmental activities:
$ (35,460)	$ -	$ (35,460)	$ -	General government
(176,746)	-	(176,746)	-	Public protection
8,919	-	8,919	-	Public ways and facilities
(3,466)	-	(3,466)	-	Health and sanitation services
(13,963)	-	(13,963)	-	Public assistance
(5,553)	-	(5,553)	-	Education
(13,342)	-	(13,342)	-	Interest on long-term debt
(239,611)	-	(239,611)	-	Total governmental activities
				Business-type activities:
-	(10,341)	(10,341)	-	Medical Center
-	566	566	-	Department of Airports
-	443	443	-	Waterworks Districts
-	1,059	1,059	-	Parks Department
-	214	214	-	Channel Islands Harbor Expansion
-	(305)	(305)	-	Channel Islands Harbor
-	(565)	(565)	-	Health Care Plan
-	(8,929)	(8,929)	-	Total business-type activities
(239,611)	(8,929)	(248,540)		Total primary government
				Component unit:
			7,997	Children and Families First Commission
183,572	56	183,628	-	
4,679	-	4,679	-	
7,881	-	7,881	-	
43,301	-	43,301	-	
37,541	-	37,541	-	
54,388	-	54,388	-	
11,323	1,965	13,288	1,285	
(626)	(695)	(1,321)	-	
(9,149)	9,149	-	-	
332,910	10,475	343,385	1,285	
93,299	1,546	94,845	9,282	
622,483	179,187	801,670	29,514	
$ 715,782	$ 180,733	$ 896,515	$ 38,796	

See accompanying notes to the basic financial statements

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Basic Financial Statements

Fund Financial Statements

COUNTY OF VENTURA
CALIFORNIA

COUNTY OF VENTURA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2002
(In Thousands)

	Total	General Fund	Roads
ASSETS			
Cash and investments (Note 5)	$ 386,390	$ 205,874	$ 49,474
Receivables, net (Note 7)	88,142	67,542	3,103
Advances to other funds	231	231	-
Loans receivable	2,070	936	-
Due from other funds (Note 8)	20,359	16,222	330
Inventories and other assets	3,894	3,009	-
Total assets	$ 501,086	$ 293,814	$ 52,907
LIABILITIES			
Accounts payable	$ 31,689	$ 21,933	$ 2,646
Accrued liabilities (Note 10)	49,002	47,006	28
Tax and revenue anticipation notes payable (Note 15)	80,000	80,000	-
Due to other funds (Note 8)	21,822	8,909	2,823
Due to component unit	41	41	-
Deferred revenue	28,272	26,845	356
Total liabilities	210,826	184,734	5,853
FUND BALANCES			
Reserved (Note 13)	156,947	71,199	25,519
Unreserved, reported in:			
General fund	37,881	37,881	-
Special revenue funds	90,169	-	21,535
Capital projects funds	5,263	-	-
Total fund balances	290,260	109,080	47,054
Total liabilities and fund balances	$ 501,086	$ 293,814	$ 52,907

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2002
(In Thousands)

Flood Control Districts	Fire Protection District	Non-Major Governmental Funds	
			ASSETS
$ 71,537	$ 21,010	$ 38,495	Cash and investments (Note 5)
5,394	2,557	9,546	Receivables, net (Note 7)
-	-	-	Advances to other funds
-	-	1,134	Loans receivable
1,036	747	2,024	Due from other funds (Note 8)
-	864	21	Inventories and other assets
$ 77,967	$ 25,178	$ 51,220	Total assets
			LIABILITIES
$ 177	$ 817	$ 6,116	Accounts payable
482	1,159	327	Accrued liabilities (Note 10)
-	-	-	Tax and revenue anticipation notes payable (Note 15)
1,726	569	7,795	Due to other funds (Note 8)
-	-	-	Due to component unit
521	15	535	Deferred revenue
2,906	2,560	14,773	Total liabilities
			FUND BALANCES
27,409	8,876	23,944	Reserved (Note 13)
			Unreserved, reported in:
-	-	-	General fund
47,652	13,742	7,240	Special revenue funds
-	-	5,263	Capital projects funds
75,061	22,618	36,447	Total fund balances
$ 77,967	$ 25,178	$ 51,220	Total liabilities and fund balances

(Continued)

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE GOVERNMENT-WIDE STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2002
(In Thousands)
(Continued)

Fund balances - total governmental funds			$ 290,260
Amounts reported for governmental activities in the statement of net assets are different because:			
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		574,067	
Capital assets reported in internal service funds		38,143	612,210
Other long-term assets are not available to pay for current-period expenditures and, therefore, are not reported as revenues in the governmental funds.			
Long-term receivables - governmental funds	11,114		
Receivables - internal service funds	1,981	13,095	
Deferred charges		586	
Unamortized bond discount		326	14,007
Internal service funds are used by management to charge the costs of management of fleet maintenance, construction projects, maintenance of telecommunication network and computer-assisted systems, building maintenance and security, graphics, mailroom and purchasing, worker's compensation, long-term disability, employee benefits, personal injury and property damage, and medical malpractice to individual funds. The assets and liabilities are included in governmental activities in the statement of net assets.			17,630
Long-term liabilities, including bonds payable, are not due and payable in the current period and, therefore, are not reported in the governmental funds.			
General obligation bonds		(575)	
Certificates of participation		(50,884)	
Lease revenue bonds		(200)	
Tax exempt commercial paper		(17,810)	
Loans payable		(338)	
Pension obligation bonds		(103,180)	
Compensated absences		(41,474)	
Other liabilities		(822)	
Accrued interest payable		(1,511)	
Unamortized bond premium		(1,531)	(218,325)
Net assets of governmental activities			$ 715,782

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
CALIFORNIA

COUNTY OF VENTURA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	General Fund	Roads
Revenues:			
Taxes	$ 196,035	$ 118,279	$ 456
Licenses, permits, and franchises	11,730	10,209	207
Fines, forfeitures, and penalties	16,870	16,552	235
Revenues from use of money and property	9,781	3,387	1,045
Aid from other governmental units	430,019	355,566	21,680
Charges for services	105,827	91,227	-
Other	56,160	25,584	1,151
Total revenues	826,422	620,804	24,774
Expenditures:			
Current:			
General government	69,009	65,496	-
Public protection	372,040	288,895	-
Public ways and facilities	15,766	-	15,662
Health and sanitation services	89,943	89,943	-
Public assistance	156,043	142,618	-
Education	8,350	587	-
Capital outlay	59,948	7,192	4,368
Debt service:			
Principal retirement	33,275	6,680	-
Interest and fiscal charges	11,840	2,335	-
Total expenditures	816,214	603,746	20,030
Excess (deficiency) of revenues over expenditures	10,208	17,058	4,744
Other financing sources (uses):			
Proceeds from long-term debt	51,842	-	-
Payment to refunding escrow agent	(11,766)	-	-
Transfers in	66,640	27,264	-
Transfers out	(78,470)	(38,966)	(307)
Total other financing sources (uses)	28,246	(11,702)	(307)
Net change in fund balances	38,454	5,356	4,437
Fund balances - beginning, as restated	251,714	103,689	42,617
Change in reserve for inventory	92	35	-
Fund balances - ending	$ 290,260	$ 109,080	$ 47,054

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

Flood Control Districts	Fire Protection District	Non-Major Governmental Funds	
			Revenues:
$ 10,048	$ 60,572	$ 6,680	Taxes
111	578	625	Licenses, permits, and franchises
47	31	5	Fines, forfeitures, and penalties
2,868	587	1,894	Revenues from use of money and property
5,586	8,092	39,095	Aid from other governmental units
11,609	604	2,387	Charges for services
314	1,694	27,417	Other
30,583	72,158	78,103	Total revenues
			Expenditures:
			Current:
-	-	3,513	General government
13,189	64,311	5,645	Public protection
-	-	104	Public ways and facilities
-	-	-	Health and sanitation services
-	-	13,425	Public assistance
-	-	7,763	Education
4,961	6,194	37,233	Capital outlay
			Debt service:
-	-	26,595	Principal retirement
-	59	9,446	Interest and fiscal charges
18,150	70,564	103,724	Total expenditures
12,433	1,594	(25,621)	Excess (deficiency) of revenues over expenditures
			Other financing sources (uses):
-	-	51,842	Proceeds from long-term debt
-	-	(11,766)	Payment to refunding escrow agent
-	125	39,251	Transfers in
(295)	(497)	(38,405)	Transfers out
(295)	(372)	40,922	Total other financing sources (uses)
12,138	1,222	15,301	**Net change in fund balances**
62,923	21,337	21,148	Fund balances - beginning, as restated
-	59	(2)	Changes in reserve for inventory
$ 75,061	$ 22,618	$ 36,447	Fund balances - ending

(Continued)

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)
(Continued)

Net change in fund balances - total governmental funds		$ 38,454
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.		
Expenditures for general capital assets, infrastructure, and other related capital assets adjustment	59,986	
Less loss from disposal of capital assets	(161)	
Less current year depreciation	(10,595)	49,230
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		11,203
Bond issuance costs, discounts, and premiums are expenditures in the governmental funds but are reported as deferred charges and unamortized bond discounts and premiums in the statement of activities and amortized over the term of the bond.		
Deferred charges	586	
Unamortized bond discounts	326	
Unamortized bond premiums	(1,531)	(619)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.		
Principal repayments:		
General obligation bonds	485	
Certificates of participation	13,264	
Revenue bonds	200	
Tax exempt commercial paper	13,624	
Loans payable	23	
Pension obligation bonds	12,115	
Capital lease obligations	6,443	46,154
Proceeds from long-term debt are reported as other financing sources in the governmental funds, but increase long-term liabilities in the statement of net assets.		
Certificates of participation	(48,189)	
Tax exempt commercial paper	(3,104)	(51,293)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Accrued interest expense	(1,511)	
Change in other liabilities	380	
Change in compensated absences	(2,449)	(3,580)
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net expense of certain activities of the internal service funds is reported with governmental activities.		3,750
Change in net assets of governmental activities		$ 93,299

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF FUND NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2002
(In Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Total	Medical Center	Department of Airports	Waterworks Districts	Non-major Enterprise Funds	Internal Service Funds
ASSETS						
Current assets:						
Cash and investments (Note 5)	$ 49,195	$ 2,769	$ 6,051	$ 32,185	$ 8,190	$ 46,072
Receivables, net (Note 7)	35,600	29,399	804	3,027	2,370	1,981
Due from other funds (Note 8)	2,425	1,374	39	334	678	9,776
Due from component unit (Note 8)	-	-	-	-	-	1
Inventories and other assets	1,958	612	848	476	22	1,759
Restricted assets (Note 5)	18,644	16,968	-	-	1,676	632
Deferred charges	414	414	-	-	-	-
Total current assets	108,236	51,536	7,742	36,022	12,936	60,221
Noncurrent assets:						
Capital assets (Note 9):						
Nondepreciable:						
Land	19,221	396	8,060	2,285	8,480	-
Construction in progress	35,853	14,916	4,679	15,829	429	-
Depreciable:						
Land improvements	26,103	1,084	20,455	96	4,468	64
Structures and improvements	119,915	41,286	11,357	50,063	17,209	4,795
Equipment/Vehicles	22,367	19,239	903	601	1,624	80,290
Less accumulated depreciation	(77,734)	(33,130)	(16,774)	(15,788)	(12,042)	(47,006)
Total noncurrent assets	145,725	43,791	28,680	53,086	20,168	38,143
Total assets	$ 253,961	$ 95,327	$ 36,422	$ 89,108	$ 33,104	$ 98,364
LIABILITIES						
Current liabilities:						
Accounts payable	$ 9,737	$ 7,504	$ 108	$ 1,573	$ 552	$ 4,729
Short term compensated absences	1,973	1,774	76	-	123	2,120
Accrued liabilities (Note 10)	4,506	4,208	36	136	126	1,402
Due to other funds (Note 8)	7,629	6,829	56	506	238	2,244
Current portion of long-term liabilities (Note 12)	3,010	1,857	734	55	364	1,490
Total current liabilities	26,855	22,172	1,010	2,270	1,403	11,985
Noncurrent liabilities:						
Deferred revenue	1,271	-	32	239	1,000	789
Accrued insurance losses (Note 16)	2,202	-	-	-	2,202	17,753
Other liabilities	231	-	-	-	231	139
Unamortized bond premium	544	544	-	-	-	-
Deposits	224	-	224	-	-	-
Long term compensated absences (Note 12)	1,281	1,100	63	-	118	2,463
Medical malpractice liability (Note 16)	4,925	4,925	-	-	-	-
Noncurrent portion of long-term liabilities (Note 12)	35,633	31,825	654	197	2,957	7,543
Total noncurrent liabilities	46,311	38,394	973	436	6,508	28,687
Total liabilities	73,166	60,566	1,983	2,706	7,911	40,672
NET ASSETS						
Invested in capital assets, net of related debt	125,177	27,077	28,243	52,835	17,022	30,506
Restricted (Note 13)	21,650	16,968	-	635	4,047	632
Unrestricted	33,968	(9,284)	6,196	32,932	4,124	26,554
Total net assets	180,795	34,761	34,439	86,402	25,193	57,692
Total liabilities and net assets	$ 253,961	$ 95,327	$ 36,422	$ 89,108	$ 33,104	$ 98,364

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Total	Medical Center	Department of Airports	Waterworks Districts	Non-major Enterprise Funds	Internal Service Funds
Operating Revenues:						
Charges for services	$ 143,485	$ 112,198	$ 137	$ 15,685	$ 15,465	$ 136,801
Rents and royalties	8,825	-	3,543	166	5,116	-
Miscellaneous	-	-	-	-	-	525
Total operating revenues	152,310	112,198	3,680	15,851	20,581	137,326
Operating Expenses:						
Salaries and benefits	63,186	58,748	1,634	-	2,804	49,161
Services and supplies	73,508	53,354	723	14,275	5,156	53,961
Insurance premiums	5,391	4,735	84	-	572	21,697
Utilities	2,193	1,679	253	13	248	-
Provision for insurance losses	11,787	-	-	-	11,787	5,261
Depreciation	6,135	2,959	1,280	1,073	823	6,956
Total operating expenses	162,200	121,475	3,974	15,361	21,390	137,036
Operating income (loss)	(9,890)	(9,277)	(294)	490	(809)	290
Nonoperating revenues (expenses):						
State and federal grants	2,153	-	1,375	76	702	1
Developers' fees	14	-	-	14	-	-
Capital contributions	59	-	-	-	59	-
Property tax revenue	56	-	-	56	-	-
Loss from disposal of capital assets	(695)	-	(37)	(412)	(246)	(465)
Interest and investment income	1,965	207	222	1,187	349	1,606
Interest expense	(1,203)	(1,002)	(22)	(14)	(165)	(425)
Total nonoperating revenues (expenses)	2,349	(795)	1,538	907	699	717
Income (loss) before transfers	(7,541)	(10,072)	1,244	1,397	(110)	1,007
Transfers in	27,172	26,047	-	-	1,125	2,829
Transfers out	(18,023)	(17,526)	-	(51)	(446)	(148)
Increase (decrease) in net assets	1,608	(1,551)	1,244	1,346	569	3,688
Net assets - beginning, as restated	179,187	36,312	33,195	85,056	24,624	54,004
Net assets - ending	180,795	$ 34,761	$ 34,439	$ 86,402	$ 25,193	$ 57,692
Adjustment to allocate the internal service fund losses related to enterprise funds	(62)					
Net assets of business-type activities	$ 180,733					

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Total	Medical Center	Department of Airports	Waterworks Districts	Non-major Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Cash receipts from customers	$128,413	$ 102,792	$ 2,481	$ 15,578	$ 7,562	$ 12,931
Cash receipts from other funds	13,727	993	816	82	11,836	123,286
Cash receipts from other sources	230	-	230	-	-	674
Cash paid to suppliers for goods and services	(63,596)	(42,304)	(707)	(10,013)	(10,572)	(43,667)
Cash paid to employees for services	(62,726)	(58,330)	(1,611)	-	(2,785)	(49,450)
Cash paid to other funds	(14,212)	(2,342)	(316)	(3,993)	(7,561)	(12,216)
Cash paid for insurance premiums	(4,735)	(4,735)	-	-	-	(17,698)
Cash paid for judgments and claims	329	-	-	-	329	(3,720)
Net cash provided by (used in) operating activities	(2,570)	(3,926)	893	1,654	(1,191)	10,140
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers received	27,172	26,047	-	-	1,125	2,826
Transfers paid	(18,023)	(17,526)	-	(51)	(446)	(148)
Interest paid on noncapital debt	(231)	(218)	-	-	(13)	(208)
Property taxes	56	-	-	56	-	-
State and federal grant receipts	149	-	-	34	115	1
Net cash provided by noncapital financing activities	9,123	8,303	-	39	781	2,471
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Proceeds from capital debt	-	-	-	-	-	17
Proceeds from capital grants	2,102	-	1,473	42	587	-
Proceeds from capital contributions	73	-	-	14	59	-
Acquisition and construction of fixed assets	(9,133)	(2,691)	(1,934)	(3,013)	(1,495)	(10,465)
Principal paid on capital lease obligations	(12)	-	-	-	(12)	-
Principal paid on capital debt	(1,409)	(884)	(22)	(120)	(383)	(743)
Interest paid on capital debt	(762)	(574)	(22)	(14)	(152)	(214)
Proceeds from sales of fixed assets	380	-	-	6	374	603
Net cash used in capital and related financing activities	(8,761)	(4,149)	(505)	(3,085)	(1,022)	(10,802)
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest and investment income received	2,290	272	245	1,366	407	1,846
Net cash provided by investing activities	2,290	272	245	1,366	407	1,846
Net increase (decrease) in cash and cash equivalents	82	500	633	(26)	(1,025)	3,655
Total cash and cash equivalents, beginning of the year, as restated	49,113	2,269	5,418	32,211	9,215	42,417
Total cash and cash equivalents, end of the year	$ 49,195	$ 2,769	$ 6,051	$ 32,185	$ 8,190	$ 46,072

(Continued)

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)
(Continued)

	Business-type Activities - Enterprise Funds					Governmental Activities
	Total	Medical Center	Department of Airports	Waterworks Districts	Non-major Enterprise Funds	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES						
Operating income (loss)	$ (9,890)	$ (9,277)	$ (294)	$ 490	$ (809)	$ 290
Adjustments to reconcile operating income (loss) to cash flows from operation activities:						
Depreciation	6,135	2,959	1,280	1,073	823	6,956
Decrease (increase) in:						
Accounts receivable	(9,405)	(7,830)	(211)	(365)	(999)	(594)
Due from other funds	(466)	(315)	(58)	42	(135)	(261)
Intergovernmental receivables	-	-	-	-	-	149
Deposits	32	-	-	-	32	-
Inventories and other assets	(307)	(183)	46	(170)	-	(17)
Increase (decrease) in:						
Accounts payable	3,459	2,785	66	406	202	2,208
Other liabilities	(80)	-	(80)	-	-	(95)
Accrued liabilities	972	828	114	28	2	75
Due to other funds	6,059	6,543	32	46	(562)	640
Deferred revenue	2	-	(17)	104	(85)	(142)
Accrued insurance loss expense	329	-	-	-	329	389
Medical malpractice liability	343	343	-	-	-	335
Compensated absences	247	221	15	-	11	207
Net cash provided by (used in) operating activities	$ (2,570)	$ (3,926)	$ 893	$ 1,654	$ (1,191)	$ 10,140

ENTERPRISE FUNDS

Non-cash investing, capital and financing activities include capital additions funded from prior year debt ($2,254), a prior year purchase ($22), and deletions of assets ($7,443 including a prior year adjustment $5,621). Interest on investments was adjusted for current and prior year accruals ($316). Non-cash financing activities include issuance of debt ($23,420), refunding of prior debt ($7,751), and miscellaneous transactions ($6).

INTERNAL SERVICE FUNDS

Non-cash investing, capital and financing activities include capital additions of debt-funded assets ($3,070), transfers in of assets ($145) and deletion of assets ($7,375). Interest on investments was adjusted for current and prior year accruals ($238). Non-cash financing activites resulted from issuance of debt ($3,625).

COUNTY OF VENTURA
STATEMENT OF FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
JUNE 30, 2002
(In Thousands)

	Total	VCERA Pension Trust	SRP Pension Trust	Investment Trust	Agency
ASSETS					
Cash and investments (Note 5)	$ 2,708,661	$ 2,129,911	$ 6,837	$ 566,998	$ 4,915
Receivables (net):					
Accounts	7,247	-	-	7,247	-
Employer Contributions	120	120	-	-	-
Employee Contributions	523	523	-	-	-
Interest and dividends	4,620	4,608	2	-	10
Security sales	75,022	75,022	-	-	-
Miscellaneous	735	735	-	-	-
Due from other funds (Note 8)	1,167	34	-	1,133	-
Total assets	2,798,095	2,210,953	6,839	575,378	$ 4,925
LIABILITIES					
Accounts payable	4,283	1,968	-	2,315	-
Accrued liabilities	4,925	-	-	-	4,925
Due to other funds (Note 8)	2,032	12	144	1,876	-
Security deposits payable	384	384	-	-	-
Security purchases payable	183,748	183,748	-	-	-
Collateral held for securities lent	69,414	69,414	-	-	-
Total liabilities	264,786	255,526	144	4,191	$ 4,925
NET ASSETS					
Net assets held in trust for investment pool participants/pension benefits	$ 2,533,309	$ 1,955,427	$ 6,695	$ 571,187	

See accompanying notes to the basic financial statements

COUNTY OF VENTURA
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	VCERA Pension Trust	SRP Pension Trust	Investment Trust
ADDITIONS				
Contributions:				
Employer:				
Annual actuarially determined	$ 117	$ -	$ 117	$ -
Other	5,116	5,105	11	-
Employee contributions	23,659	23,372	287	-
Contributions to investment pool	2,313,525	-	-	2,313,525
Total contributions	2,342,417	28,477	415	2,313,525
Net investment income:				
Net depreciation in fair value of investments	(183,205)	(180,846)	(682)	(1,677)
Interest income	46,746	23,931	12	22,803
Dividend income	6,727	6,727	-	-
Securities lending income	2,842	2,842	-	-
Real estate income, net	4,630	4,630	-	-
Investment expense	(7,217)	(7,217)	-	-
Net investment income (loss)	(129,477)	(149,933)	(670)	21,126
Total additions	2,212,940	(121,456)	(255)	2,334,651
DEDUCTIONS				
Benefit payments	81,144	80,959	185	-
Member refunds	2,725	2,725	-	-
Administrative expenses	2,060	1,888	172	-
Legal expenses	1,520	1,520	-	-
Distributions to pooled participants	2,336,591	-	-	2,336,591
Total deductions	2,424,040	87,092	357	2,336,591
Change in net assets	(211,100)	(208,548)	(612)	(1,940)
Net assets - beginning	2,744,409	2,163,975	7,307	573,127
Net assets - ending	$ 2,533,309	$ 1,955,427	$ 6,695	$ 571,187

See accompanying notes to the basic financial statements

Basic Financial Statements

Notes to the Basic Financial Statements

NOTE 1 – THE FINANCIAL REPORTING ENTITY

(a) Reporting Entity

The County of Ventura, California (the "County") is a legal subdivision of the State of California and was established as a General Law County in 1873. It is governed by an elected five-member Board of Supervisors (Board) and provides the following services: general government, public protection, public ways and facilities, health and sanitation services, public assistance, and education.

The governmental reporting entity consists of the County (Primary Government) and its component units. Component units are legally separate organizations for which the Board is financially accountable or other organizations whose nature and significant relationship with the County are such that exclusion would cause the County's financial statements to be misleading or incomplete. Financial accountability is defined as the appointment of a voting majority of the component unit's board and (i) either the County's ability to impose its will on the organization or (ii) the potential for the organization to provide a financial benefit to or impose a financial burden on the County.

The basic financial statements include both blended and discretely presented component units. The blended component units, although legally separate entities, are, in substance, part of the County's operations and so data from these units are combined with data of the primary government. The discretely presented component unit, on the other hand, is reported in a separate column in the government-wide financial statements to emphasize it is legally separate from the primary government.

For financial reporting purposes, the County's basic financial statements include all financial activities that are controlled by or are dependent upon actions taken by the County's Board. The financial statement of the individual component units may be obtained by writing to the County of Ventura, Auditor-Controller's Office, 800 South Victoria Avenue, Ventura, CA 93009-1540.

(b) Blended Component Units

Using the criteria established by Governmental Accounting Standards Board (GASB) Statement No. 14, the County's management has determined that the following component units should be blended with the activities of the County, as follows:

- Special Revenue Funds – Flood Control, County Service Areas, Fire Protection, and the County of Ventura Redevelopment Agency (RDA);
- Enterprise Fund – Waterworks Districts including the Lake Sherwood Community Services District and Camarillo Water and Sewer;
- Debt Service Funds – Ventura County Public Facilities Corporation, the Public Financing Authority, the library activities of the Simi Valley Civic Center Authority, and the RDA;
- Capital Project Funds – Ventura County Public Facilities Corporation, the Public Financing Authority and the RDA;

- Pension Trust Funds – Ventura County Employees' Retirement Association (VCERA) and the County's Supplemental Retirement Plan (SRP). The County is financially accountable for each of the above component units.

The basis for blending is that the County's Board acts as the governing board for all entities except the Ventura County Employees' Retirement System and the Ventura County Public Facilities Corporation. However, these two organizations provide services almost entirely for the County's benefit.

(c) Discretely Presented Component Unit

Children and Families First Commission

The Children and Families First Commission (Commission) was established in December 1998 under the authority of the California Children and Families First Act of 1998 and sections 130100, et seq., of the Health and Safety Code. The County Board appointed all members of the Commission. The Board can remove appointed members at will. The Commission accounts for receipts and disbursements of California Children and Families First Trust Fund allocations and appropriations to the Commission. The Commission is a discretely presented component unit as the Commission's governing body is not substantially the same as that of the County and the Commission does not provide services entirely or almost entirely to the County. The separate financial statements may be obtained from Children and Families First Commission, 2850 East Main Street, Suite 203, Ventura, California, 93003.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Implementation of Governmental Accounting Standards Board Statements

GASB Statements No. 34 and 37

In June 1999 and in June 2001, the GASB issued Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments* (GASB 34), and Statement No. 37, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments – Omnibus*, respectively. These statements provide for the most significant change in financial reporting in over twenty years. GASB 34 implementation is scheduled based on size of the government's revenues; County of Ventura is required to implement GASB 34 for the fiscal year ended June 30, 2002. As discussed in Note 2(g), the County implemented infrastructure reporting for its roads network in the current year. The County's flood control network is scheduled to be implemented in the 2003 fiscal year.

GASB Statement No. 38

In June 2001, the GASB issued Statement No. 38, *Certain Financial Statement Note Disclosures*. This statement modifies, adds and deletes various note disclosure requirements. Those requirements address revenue recognition policies, actions taken in response to legal violations, debt service requirements, variable-rate debt, receivable and payable balances, interfund transfers and balances, and short-term debt.

GASB Interpretation No. 6

In March 2000, the GASB issued Interpretation No. 6, *Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements*. This interpretation clarifies the application of standards for modified accrual recognition of certain liabilities and expenditures in areas where differences have arisen, or potentially could arise, in interpretation and practice.

For fiscal year ended June 30, 2002, the County implemented GASB Statement Nos. 34, 36, 37, and 38 and Interpretation No. 6, and these statements are presented according to those requirements as discussed in Note 3.

(b) Basis of Presentation

Government – wide Financial Statements

The statement of net assets and statement of activities display information about the primary government (the County) and its component units. These statements distinguish between the *governmental* and *business-type activities* of the County and between the County and its discretely presented component unit. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the County and for each function of the County's governmental activities. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include 1) charges paid by the recipients of goods or services offered by the programs and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented instead as general revenues.

Because the internal service funds primarily serve the governmental funds, the internal service funds' activity is eliminated with net balances also reported in the governmental activities column. Fiduciary funds are not reported on the government-wide financial statements. When both restricted and unrestricted net assets are available, restricted resources would generally be considered to be used first and then the unrestricted resources as they are needed.

Fund Financial Statements

The fund financial statements provide information about the County's funds, including fiduciary funds and blended component units. Separate statements for each fund category – *governmental, proprietary and fiduciary* – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. All remaining governmental and enterprise funds are separately aggregated and reported as non-major funds.

Because the governmental fund financial statements are presented on a different measurement focus and basis of accounting than the government-wide financial statements, a reconciliation is presented which explains the adjustments necessary to reconcile fund financial statements to the government-wide financial statements.

Proprietary fund *operating* revenues, such as charges for services, result from exchange transactions associated with principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. *Nonoperating* revenues, such as subsidies and investment earnings, result from nonexchange transactions or ancillary activities.

The County reports the following major governmental funds:

- The *General* Fund is used to account for all revenues and expenditures necessary to carry out basic governmental activities of the County that are not accounted for through other funds. For the County, the General Fund includes such activities as general government, public protection, health and sanitation, public assistance, and education.

- The *Roads* Fund provides for planning, design, construction, maintenance, and administration of County roads. It also engages in traffic safety and other transportation planning activities. Revenues consist primarily of the County's share of state highway use taxes, sales taxes, and federal grants.

- The *Flood Control Districts* Fund controls flood and storm waters and conserves such waters for beneficial public use. Revenues are primarily received from property taxes, aid from other governmental units, and charges for current services.

- The *Fire Protection District* Fund provides fire protection to the unincorporated areas of the County as well as the cities of Camarillo, Moorpark, Ojai, Port Hueneme, Simi Valley, and Thousand Oaks. Support is principally from property taxes and aid from other governmental units.

The County reports the following major enterprise funds:

- The *Medical Center* Fund is part of the County Health Care Agency which operates an acute care facility providing emergency room, inpatient, mental health inpatient, and, through its clinics, outpatient services to all County residents. It also provides support services to related public and mental health programs administered by the Health Care Agency. The fund provides indigent care, which is subsidized, in part, by transfers from the General Fund for such services.

- The *Department of Airports* Fund operates the County-owned general aviation facilities at the Camarillo and Oxnard airports and provides administrative, fiscal, and other support services for airport tenants and the flying public. This fund accounts for aid from other governmental units in support of aviation and also provides support services for the operation of the streets, street lighting, and storm drains at the Camarillo airport.

- The *Waterworks Districts* Fund performs necessary administrative, maintenance, and operations functions to provide uninterrupted sewer collection and disposal services and water delivery services to various communities of Ventura County. These districts include Waterworks Districts 1, 16, 17,19, Camarillo Water and Sewer, and Lake Sherwood.

The County reports the following additional funds and fund types:

- *Internal Service Funds* account for the County's fleet maintenance; engineering, construction, and maintenance services; telecommunication and computer-assisted systems; general services; and self-insurance programs – workers' compensation, long-term disability, employee benefits, medical malpractice, and general insurance, on a cost-reimbursement basis.

- The *VCERA Trust Fund* accumulates contributions from the County, its employees and other participating employers, and earnings from the fund's investments. Disbursements are made from the fund for retirement, disability, and death benefits (based on a defined benefit formula) and administrative expenses. This fund includes all assets of the VCERA, which was established January 1, 1947 under provisions of the County Employees' Retirement Law of 1937.

- The *SRP Trust Fund* accounts for the assets, contributions, and benefit payments of the Supplemental Retirement Plan established January 1, 1992 under provisions of the Internal Revenue Code Section 401(a).

- The *Investment Trust Fund* accounts for the assets of legally separate entities that deposit cash with the County Treasurer. The entities include school and community college districts and special districts governed by local boards. These funds represent the assets, primarily cash and investments, and the related liability of the County to disburse these monies on demand. The County follows procedures of GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*.

- *County Agency Funds* account for assets held by the County as an agent for various other funds and local governments.

(c) Measurement Focus and Basis of Accounting

The government-wide, proprietary, pension and investment trust fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting.

Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Nonexchange transactions, in which the County gives (or receives) value without directly receiving (or giving) equal value in exchange, include property and sales taxes, grants, entitlements, and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from sales taxes are recognized when the underlying transactions take place. Revenue from grants, entitlements, and donations are recognized in the fiscal year in which all eligible requirements have been satisfied.

Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. Sales taxes, interest, certain state and federal grants, and charges for services are accrued when their receipt occurs within six months (or eight months for expenditure-driven grants) following the end of the fiscal year. Property taxes are accrued if they are collectible within 60 days after the end of the accounting period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgements, are recorded only when payment is due. General capital assets acquisitions and general principal payments are reported as expenditures in governmental funds. Proceeds of general long-term debt and capital leases are reported as other financing sources.

For its business-type activities and enterprise funds, the County has elected under GASB Statement No. 20, *Accounting and Financial Reporting of Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting*, to apply all applicable GASB pronouncements as well as any applicable pronouncements of the Financial Accounting Standards Board (FASB), the Accounting Principles Board, or any Accounting Research Bulletins issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. The County has elected to not apply the FASB standards issued subsequent to November 30, 1989. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental users.

(d) General Capital Assets and Long-Term Debt

GASB Statement No. 34 eliminates the presentation of general capital asset and general long-term debt account groups, but provides for these records to be maintained and incorporates the information into the governmental activities column in the government-wide statement of net assets.

(e) Cash and Investments

For purposes of reporting cash flows, cash and investments include cash in bank and investments held by the County Treasurer in a cash management pool and short-term temporary investments in the pension trust funds, generally with original maturities of 90 days or less. In accordance with GASB No. 31, investments are stated at fair value. Fair value is determined annually based on values provided by the County's investment custodian (Wells Fargo Bank) as of June 30, 2002. The fair value of participants' aggregate position in the pool is the same as the aggregate value of the pool shares. The participants share a ratable portion of the pool's activity and its value based on average daily balances. For VCERA and SRP, investment income components (interest, dividends, and net increase or decrease in fair value) are determined at year-end as reported by the various trustees and custodians on the accrual basis.

(f) Inventories

Inventories consist of expendable supplies valued at cost (principally on a first-in, first-out basis). The County uses the purchases method to record inventories as expenditures when purchased by governmental funds. Significant supplies on hand at year-end are recorded as assets with a corresponding credit to reserved fund balances to indicate that such amounts are not available for future appropriation by the governmental funds.

(g) Capital Assets

Capital assets components consist of land, land improvements, structures and improvements, equipment, vehicles, construction in progress, and infrastructure. The County defines capital assets as assets with an estimated useful life in excess of one year.

The estimated useful lives are as follows:

Category	Capitalization Level	Useful Life
Infrastructure	All new construction and major renovation are capitalized; all other costs are considered maintenance and are expensed.	40-100
Structures and improvements	$25,000 except $5,000 for Airports and $50,000 for Waterworks	30-75
Betterments	$5,000	30-75
Equipment	$5,000	2-30
Vehicles	$5,000	2-25
Capital leases	As above, based on category	5-40

The County has two networks of infrastructure assets – roads and flood control. The roads network includes roads, bridges and traffic signals. Retroactive and current year costs have been capitalized for the roads network. Current year costs have been reported for the flood control network with retroactive reporting being planned for the fiscal year ended June 30, 2003.

Capital assets are recorded at historical cost or at estimated historical cost if actual historical cost is not available. Assets acquired from gifts or donations are valued at their estimated fair market value on the date contributed. Self-constructed assets, including structures and major software betterments, are recorded at the amount of direct labor, material and net interest costs incurred if financed by tax-exempt borrowing. Major software and betterments are included in the equipment category.

Acquisitions of capital assets are recorded as expenditures in the governmental funds statements. Capital assets are capitalized and depreciated on the government-wide and the proprietary funds statements. Land, construction in progress and assets not used in operations are not depreciated. Other components used in operations are depreciated or amortized (assets under capital leases) using the straight-line method over the lower of the capital lease period or their estimated useful lives. The County has elected the depreciation approach for infrastructure.

Maintenance and repairs are charged to operations when incurred. Betterments and major improvements which significantly increase values, change capacities or extend useful lives are capitalized. Upon sale or retirement of capital assets, the cost and related accumulated depreciation are removed from the respective accounts and any resulting gain or loss is included in the results of operations.

(h) Compensated Absences (Accrued Vacation, Sick Leave, and Compensatory Time)

County policy permits employees to accumulate earned but unused vacation, sick pay, and compensatory time. A liability for all vacation pay and compensated absences and 25 percent of unused accumulated sick leave for those employees with at least ten years of service is accrued when earned in the government–wide and proprietary funds financial statements. In accordance with GASB Interpretation No. 6, a liability for these amounts is reported in the governmental funds financial statements only if they have matured as a result of employee resignations and retirements prior to year-end and are paid by the County subsequent to year-end.

(i) Interfund Transactions

Interfund transactions are reflected as either loans, services provided, reimbursements, or transfers. Loans are reported as receivables and payables as appropriate, are subject to elimination upon consolidation and are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as "internal balances". Advances between funds, as reported in the fund financial statements, are offset by a fund balance reserve account in applicable governmental funds to indicate that they are not available for appropriation and are not available financial resources.

Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/ expenses. Reimbursements are repayments (adjustments to the expenditures or expenses) from the funds responsible for certain expenditures or expenses to the funds that initially paid for them. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide presentation.

(j) Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 – RESTATEMENTS OF FUND EQUITY/NET ASSETS

The County's beginning fund balances/net assets have been restated to reflect the cumulative effect of the implementation of GASB Statement Nos. 33 and 34 and GASB Interpretation No. 6.

The impact of GASB Statement No. 34 on the County's accounting and financial reporting practices was to (1) classify certain activities as governmental and business-type that were previously reported as fiduciary, (2) report the residual balances of certain internal activities within the net assets of governmental activities, (3) report all long-term assets, including capital assets, and liabilities in the statement of net assets, and (4) report all revenues and the cost of providing services under the accrual basis of accounting in the statement of activities. The impact of GASB Interpretation No. 6 was to reduce the current portion of certain long-term liabilities, and only recognize expenditures in the governmental funds financial statements for those liabilities considered to be due and payable as of June 30, 2002. The following table provides a reconciliation of fund balances/net assets as of June 30, 2001, as previously reported, to fund balances/net assets at June 30, 2001, as restated (in thousands):

		Proprietary Funds		
	Governmental Funds	Enterprise	Internal Service	Total
Fund balance/net assets, June 30, 2001, as previously reported	$ 164,267	$ 183,253	$ 53,656	$ 401,176
Restatements:				
Reduction of current portion of employee compensated absences accrual	15,419	-	-	15,419
Reduction of current portion of other liabilities not matured as of June 30, 2001	135	-	-	135
Recognition of revenue related to fiscal year 2001	71,384	312	348	72,044
Conveyance of College Park to City of Oxnard	-	(4,378)	-	(4,378)
Reduction of accrual of interest revenues and interest expenditures	509	-	-	509
Total restatements	87,447	(4,066)	348	83,729
Fund balance/net assets, July 1, 2001, as restated	$ 251,714	$ 179,187	$ 54,004	$ 484,905

NOTE 4 – DEFICIT FUND BALANCE

The County of Ventura Redevelopment Agency (RDA capital projects fund) and Workforce Development (special revenue fund) had fund balance deficits of $320,000 and $8,000, respectively, at June 30, 2002. These accumulated deficits are expected to be eliminated in fiscal year 2002-2003 through borrowing obtained from the Department of Agriculture Rural Development Community Facilities program for RDA and a general fund contribution to Workforce Development.

NOTE 5 – CASH AND INVESTMENTS

The County sponsors an investment pool that is managed by the County Treasurer for the purpose of increasing interest earnings through investment activities. Cash and investments for most County activities are included in the investment pool. The respective funds' shares of the total pool are included in the accompanying basic financial statements under the caption "Cash and investments". Interest earned on investments is allocated to certain participating funds based on their average daily cash-in-treasury balances. Cash and investments managed separately from the investment pool include those of the PFC, PFA, VCERA, and SRP. The State of California requires certain special district and other governmental entities to maintain surplus cash with the County Treasurer.

The County Treasurer's investment pool is further defined as internal and external investment pools in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. The internal investment pool includes the funds and component units of the reporting entity and is reported in the various County funds. The external investment pool commingles the monies of more than one legally separate entity, not part of the sponsor's reporting entity, and invests on the participants' behalf in an investment portfolio. The external investment pool is reported in the financial statements as an investment trust fund within the fiduciary funds and uses the economic resources measurement focus and the accrual basis of accounting.

The financial reporting for these governmental entities, which are independent of the County Board, is limited to the total amount of cash and investments and other assets, and the related fiduciary responsibility of the County for disbursement of these assets. Activities of the school districts and special districts are administered by their own separate governing boards. Effective January 1, 1998, activities of the County's consolidated courts are governed by the State of California. The County Auditor-Controller makes disbursements upon the request of the responsible school and self-governed district officers and the presiding judge of the consolidated courts. The County Board has no effective authority to govern, manage, approve budgets, assume financial accountability, establish revenue limits, nor to appropriate surplus funds available in these entities. Therefore, these entities are not financially accountable to the County.

California Government Code Section 53635 authorizes the County Treasurer to invest in obligations of the U. S. Treasury, agencies and intrumentalities, commercial paper rated A-1 by Standard and Poor's Corporation or P-1 by Moody's Commercial Paper Record, bankers' acceptances, repurchase and reverse repurchase agreements, corporate notes, negotiable certificates of deposit, obligations of the State of California, and obligations of any local agency within California. The VCERA Trust Fund is authorized to invest in any form or type of investment, financial instrument, or financial transaction when prudent in the informed opinion of the VCERA Board of Retirement (Board of Retirement).

Total cash and investments at fair value as reported at June 30, 2002 are as follows (in thousands):

Governmental activities	$ 433,094
Business-type activities	67,839
Primary government	500,933
Component unit	37,863
Total government-wide	538,796
Pension trusts	2,136,748
Investment trust fund	566,998
Agency funds	4,915
Total cash and investments	$ 3,247,457

The amount at fair value of "Cash and investments" for County funds with Treasury or fiscal agents and VCERA and SRP Trust Funds at June 30, 2002 are summarized as follows (in thousands):

	Treasury	Fiscal Agents	Pension Funds	Total
Cash:				
Cash on hand	$ 4	$ 934	$ -	$ 938
Deposit (net outstanding checks)	(18,538)	40,493	87,814	109,769
Total cash (net outstanding checks)	(18,534)	41,427	87,814	110,707
Investments:				
in Treasurer's pool	1,086,475	-	-	1,086,475
with Fiscal Agents	-	1,341	-	1,341
in Pension portfolios	-	-	2,048,934	2,048,934
Total investments	1,086,475	1,341	2,048,934	3,136,750
Total cash and investments	$1,067,941	$ 42,768	$2,136,748	$3,247,457

Cash

The cash portion of "cash and investments" includes demand and other deposits with original maturities of less than 90 days.

At June 30, 2002, the carrying amount of the County's cash was $110,707,000, and the bank balance per various institutions was $144,399,000. Treasury deposits of $(18,534,000) reflect outstanding checks of $33,692,000. Treasurer's pool investments are managed daily to maximize earnings and provide cash as needed. Of the bank balance in financial institutions, $1,070,000 was covered by federal depository insurance and $143,329,000 was uninsured. The uninsured deposits were held by financial institutions, which are legally required by the California Government Code to collateralize the County's deposits by pledging government securities or first trust deed mortgage notes. The market value of the pledged securities and first trust deed mortgage notes must be at least 110 percent and 150 percent of the County's deposits, respectively. The collateral was held by the pledging financial institution's trust department and was considered held in the County's name.

"Restricted assets – cash and investments" in the amount of $19,276,000 are held in the proprietary funds and include $1,500,000 for Health Care Plan tangible net equity deposit, $120,000 for Harbor Expansion NOAA deposit, and the remainder of $17,656,000 for Medical Center, Channel Islands Harbor, and General Services internal service fund from PFA and PFC for borrowing projects to be completed.

Investments–County Funds

In accordance with GASB Statement No. 3, *Deposits with Financial Institutions, Investments (including Purchase Agreements), and Reverse Repurchase Agreements* (GASB 3), the County's investments have been categorized below to indicate the level of custodial risk assumed by the County at year-end. Category 1 includes investments that are insured or registered or for which the securities are held by the County or its agent in the agent's nominee name with subsidiary records listing the County as the legal owner. Category 2 includes uninsured and unregistered investments for which the securities are held by the counter-party, or by its trust department or agent, in the County's name. Category 3 includes uninsured and unregistered investments, with securities held by the counter-party, or its trust department or agent, but not in the County's name. The GASB 3 categories do not apply to certain types of investments such as loaned securities, annuity contracts, real estate, and mutual funds due to their nature.

The carrying amount at fair value of the County's investments, exclusive of the VCERA and SRP Trust Funds at June 30, 2002 are summarized below (in thousands):

	Category 1			
	County Treasurer	Fiscal Agents	Uncategorized	Total
Certificates of deposit	$ -	$ -	$ 300	$ 300
Commercial Paper	317,140	-	-	317,140
U. S. Agency obligations	769,035	1,341	-	770,376
Total investments	$ 1,086,175	$ 1,341	$ 300	$ 1,087,816

Fair value calculations at fiscal year-end are based on values provided by the County's investment custodian. The net change in fair value from carrying value at June 30, 2002 (including purchases, sales, and reinvestment of earnings) amounted to an increase of $8,346,000. The net change in fair value from June 30, 2001 to June 30, 2002 was a decrease of approximately $3 million.

A summary of the interest rate range and maturity range of investments held by the County Treasurer at June 30, 2002 is as follows:

Investments	Interest Rate Range	Maturity Range
Certificates of deposit	1.99 - 2.50	09/13/02 - 11/22/02
Commercial paper	1.73 - 1.79	07/01/02 - 08/30/02
U. S. Agency obligations	1.70 - 7.11	07/11/02 - 05/25/04

The County adopts an investment policy document as approved by the Treasury Oversight Committee and the County Board. The policy emphasizes safety, liquidity and yield and follows the "prudent investor rule". The County is not registered with the Securities and Exchange Commission as an investment company. No guarantees have been provided during the period to support the value of shares in the pool. Investment earnings are allocated based on the average daily balance in the Treasury's pool for the calendar quarter. The earnings are distributed to participants twice per quarter as cash is received.

Treasury Investment Pool

The Treasury Investment Pool does not issue financial statements separate from the County's Comprehensive Annual Financial Report. The following represents a condensed statement of net assets

Statement of Net Assets	
Net assets held for pool participants	$ 1,067,941
Equity of internal pool participants	$ 458,891
Equity of external pool participants (Investment Trust Fund)	571,187
Primary government	1,030,078
Equity of discretely presented component unit	37,863
Total equity	$ 1,067,941
Statement of Changes in Net Assets	
Net assets at July 1, 2001	$ 1,070,684
Decrease in investment by pool participants, net	(2,743)
Net assets at June 30, 2002	$ 1,067,941

and changes in net assets for the pool (internal and external) as of June 30, 2002 (in thousands):
The investment pool includes both voluntary and involuntary participants for which cash and investments are held by the County Treasurer. The total percentage share of the Treasurer's pool related to involuntary participants is 46 percent. Legal provisions require certain special districts to participate in the County Treasurer's investment pool including public school districts, cemetery districts, recreation and park districts, and the Air Pollution Control District. Voluntary participants include the Superior Court of California, Ventura County.

Investments - VCERA

The carrying amount at fair value of the VCERA Trust Fund investments at June 30, 2002 is summarized

	Category 1	Uncategorized Investments	Carrying Amount at Fair Value
Domestic equity	$ 449,846	$ 21,603	$ 471,449
U. S. government debt securities and corporate bonds	434,595	45,637	480,232
International bonds	12,150	-	12,150
Securities lending collateral	-	69,414	69,414
Real estate	-	53,420	53,420
Investments held in mutual funds and investment pool	-	955,736	955,736
Total investments	$ 896,591	$ 1,145,810	$ 2,042,401

as follows (in thousands):
The Board of Retirement permits the use of securities lending pursuant to an agreement with its custodial financial institution, whereby the VCERA Trust Fund lends specific stocks, bonds, and government securities that are being held in trust at the financial institution to various brokers in return for a service charge. The financial institution is authorized to handle all the loan activity for the VCERA Trust Fund and has agreed to indemnify the VCERA Trust Fund for any losses of securities or income due to borrower failure or default. At June 30, 2002, the VCERA Trust Fund had securities on loan of $67,240,000 with cash collateral of $69,414,000.

Loaned securities are collateralized by cash, which was deposited in a collective investment pool equal to not less than 100 percent of the market value of loaned securities. Collateral is held by the lending financial institution as custodian and cannot be pledged or sold unless the borrower defaults. Because loans were terminable at will, their duration did not generally match the duration of the investment made with cash collateral. Also, it was determined that a credit risk does not exist at year-end since the amount owed the borrower is greater than the amount the borrower owed.

Included within the VCERA Trust Fund's fixed income portfolio of $702,855,000, approximately $186,549,000 is classified as derivative securities. These holdings include asset-backed and mortgage-backed securities, and are considered to be derivatives because their value is derived from the value of the assets backing the security rather than the security itself.

The VCERA Trust Fund's international investment managers also invest in forward currency contracts. These are agreements to exchange different currencies at specified rates at a specified date. Differences between contract exchange rates and market exchange rates at settlement result in gains and losses. Risks surrounding the contracts include fluctuations in exchange rates and the inability of the counter-party to meet the terms of the contract. Forward currency contracts held at June 30, 2002 amount to $21,726,000.

Investments – SRP

The SRP adopts an investment policy which emphasizes safety, diversification and yield and follows the "prudent investor rule", as required by the Employment Retirement Income Security Act of 1974. At June 30, 2002, the carrying amount at fair value of the SRP Trust Fund's investments is $6,533,000. Such investments are held in mutual funds and are uncategorized under the provisions of GASB 3.

NOTE 6 – PROPERTY TAXES

All jurisdictions within California derive their taxing authority from the State Constitution and various legislative provisions contained in the State Government Codes and Revenue and Taxation Codes. Property is generally assessed at 100 percent of full cash or market value pursuant to Article XIII(A) of the California State Constitution and statutory provisions by the County Assessor and State Board of Equalization. The total fiscal year 2001-2002 gross assessed valuation of the County was $61,970,000,000, of which $61,037,205,000 was the net assessed value after homeowners' exemptions.

The property tax levy to support general operations of various jurisdictions is limited to one percent of full cash value and is distributed in accordance with statutory formulas. Amounts levied each fiscal year to finance the annual requirements of voter approved debt are excluded from this limitation and are calculated and levied each fiscal year. The rates are formally adopted by either the Board or the city councils and, in some instances, the governing board of a special district.

The County is divided into approximately 2,425 tax rate areas, which are unique combinations of various jurisdictions serving a specific geographic area. In fiscal year 2001-02, the rates levied within each tax rate area varied from a low of 1.000000 to a high of 1.231617 per $100 of assessed valuation. Property taxes are levied on both real and personal property. Secured property taxes are levied July 1 and payable in two equal installments: the first is generally due November 1 and delinquent with penalties after December 10; the second is generally due on February 1 and delinquent with penalties after April 10. Unsecured property taxes become delinquent with penalties after August 31. Secured property taxes become a lien on the property on January 1 or the date on which title to the property transfers or improvements to the property are completed. Supplemental property tax assessments/refunds associated with changes in assessed valuations due to transfers of title and completed property improvements are levied in two equal installments and have variable due dates based on the date of title transfer and/or completion of the property improvements.

The County elected the alternative property tax treatment (Teeter Plan) effective July 1, 1993, whereby the County, through the Property Tax Collection Agency Fund (PTCAF), purchases the current secured unpaid taxes remaining at year-end from participating agencies. In return, the PTCAF records a tax receivable and receives the delinquent secured taxes. The PTCAF receives delinquent penalties and redemption interest accruing to delinquent collections related to participating agencies. The participating agencies, including the County, the special districts, and the school districts, in turn, receive their full tax distribution with no liability for uncollected taxes to the PTCAF. Therefore, for participating agencies, revenue is measurable and available and is recorded in the period the payment of current secured unpaid taxes is received.

NOTE 7 – RECEIVABLES

Receivables at year-end of the County's major individual funds and non-major and internal service funds in the aggregate, including the applicable allowances for uncollectable accounts are as follows (in thousands):

Receivables- Governmental Funds	General Fund	Roads	Flood Control	Fire Protection	Non-major Funds	Total Governmental Funds
Taxes	$ 611	$ -	$ 42	$ 250	$ 24	$ 927
Accounts	66,160	2,752	4,858	2,107	9,445	85,322
Interest	771	351	494	200	77	1,893
Total receivables	$ 67,542	$ 3,103	$ 5,394	$ 2,557	$ 9,546	$ 88,142

Receivables- Proprietary Funds	Medical Center	Department of Airports	Waterworks Districts	Non-major Funds	Total Enterprise Funds	Internal Service Funds
Accounts	$ 96,567	$ 715	$ 2,804	$ 1,909	$ 101,995	$ 1,015
Interest	26	109	223	461	819	278
Other	-	-	-	-	-	688
Gross receivables	96,593	824	3,027	2,370	102,814	1,981
Less: allowance for uncollectibles and contractual adjustments	(67,194)	(20)	-	-	(67,214)	-
Total receivables	$ 29,399	$ 804	$ 3,027	$ 2,370	$ 35,600	$ 1,981

NOTE 8 – INTERFUND TRANSACTIONS

Interfund Receivables/ Payables

The composition of interfund balances as of June 30, 2002 is as follows (in thousands):

Due to/from other funds:

Receivable Fund	Payable Fund	Amount
General fund	Road Fund	$ 469
	Flood Control District	152
	Fire Protection District	309
	Non-major Governmental Funds	7,284
	Medical Center	6,187
	Waterworks District	2
	Non-major Enterprise Funds	35
	Internal Service Funds	160
	Pension Trust Fund	144
	Investment Trust	1,480
		16,222
Road Fund	General Fund	(290)
	Internal Service Funds	600
	Investment Trust	20
		330
Flood Control District	General Fund	1,035
	Internal Service Funds	1
		1,036
Fire Protection District	General Fund	718
	Road Fund	14
	Department of Airports	20
	Non-major Enterprise Funds	(14)
	Internal Service Funds	9
		747
Non-major Governmental Funds	General Fund	1,369
	Road Fund	488
	Non-major Governmental Funds	138
	Department of Airports	1
	Waterworks District	(1)
	Non-major Enterprise Funds	1
	Internal Service Funds	25
	Investment Trust	3
		2,024
Medical Center	General Fund	1,336
	Non-major Enterprise Funds	19
	Internal Service Funds	19
		1,374

Due to/from other funds(continued):

Department of Airports	General Fund	36
	Internal Service Funds	3
		39
Waterworks District	General Fund	236
	Non-major Enterprise Funds	(1)
	Internal Service Funds	99
		334
Non-major Enterprise Funds	General Fund	147
	Fire Protection District	14
	Non-major Governmental Funds	14
	Medical Center	417
	Non-major Enterprise Funds	86
		678
Internal Service Funds	General Fund	3,161
	Road Fund	1,852
	Flood Control District	1,574
	Fire Protection District	246
	Non-major Governmental Funds	359
	Medical Center	219
	Department of Airports	35
	Waterworks District	505
	Non-major Enterprise Funds	112
	Internal Service Funds	1,328
	Pension Trust Fund	12
	Investment Trust Fund	373
	Subtotal	9,776
	Discretely Presented Component Unit	1
		9,777
Pension Trust Fund	General Fund	34
Investment Trust Fund	General Fund	1,127
	Medical Center	6
		1,133
Total		$ 33,728

The balance of $6,187,000 due to the General Fund from the Medical Center is primarily related to the SB 855 Disproportionate Share Hospital (DSH) program. The General Fund advances required payments to the state with a return of funds from the Medical Center upon receipt of disproportionate share program revenues from the state.

The balance of $1,480,000 due to the General Fund from the Investment Trust primarily relates to the distribution of various fines and fees collected by the Superior Court of California, Ventura County, a voluntary participant in the County's Investment Trust Fund.

The balance of $1,336,000 due to the Medical Center from the General Fund is primarily related to the transfer of tobacco settlement revenue ($649,000), an operating subsidy ($265,000), and the allocation of certain costs to the General Fund.

All remaining interfund balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Transfers

Transfers are used to move funding for capital projects, lease payments or debt service, subsidies of various County operations and re-allocations of special revenues. The following schedule briefly summarizes the County's transfer activity:

Transfer From	Transfer To	Amount	Purpose
General fund	Fire Protection District	$ 100	Subsidy for expanded dispatch services.
	Medical Center	11,853	Health and welfare realignment and tobacco settlement revenues
	Fire Protection District	25	Tobacco settlement revenues
	Medical Center	13,273	Subsidy for operating expenses
	Medical Center	187	Subsidy to cover living wage costs
	Non-major Enterprise Funds	315	Subsidy for operating expenses
	Non-major Enterprise Funds	161	Subsidy for Harbor beach program
	Internal Service Funds	573	Subsidy to cover living wage costs
	Internal Service Funds	1,455	Subsidy for capital asset purchase
	Non-major Governmental Funds	11,024	Transfer funds for scheduled debt service
		38,966	
Roads	Internal Service Funds	307	Subsidy for capital asset purchase
Flood Control District	Internal Service Funds	295	Subsidy for capital asset purchase
Fire Protection District	General Fund	250	Subsidy for helicopter purchase
	Non-major Governmental Funds	44	Transfer funds for scheduled debt service
	Non-major Enterprise Funds	203	Subsidy for fire boat purchase
		497	
Non-major Governmental Funds	General Fund	282	Subsidy for inmate welfare costs
	General Fund	1,867	Savings on pension obligation bonds
	General Fund	7,339	Transfer funds for scheduled debt service
	Non-major Governmental Funds	120	Subsidy for operating costs Piru - RDA
	Non-major Governmental Funds	28,063	Transfer funds for scheduled debt service
	Medical Center	734	Transfer funds for scheduled debt service
		38,405	
Medical Center	General Fund	17,526	Transfer related to SB 855 revenue
Waterworks District	Internal Service Funds	51	Subsidy for operating expenses
Non-major Enterprise Funds	Non-major Enterprise Funds	446	Subsidy for operating expenses
Internal Service Funds	Internal Service Funds	148	Subsidy for operating expenses
Total		$ 96,641	

NOTE 9 – CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2002 was as follows (in thousands):

	Balance June 30, 2001, Restated	Additions	Deletions	Balance June 30, 2002
Governmental activities:				
Capital assets, non-depreciated:				
Land	$ 200,176	$ 2,484	$ -	$ 202,660
Construction in progress	28,856	46,546	1,571	73,831
Total capital assets, non-depreciated	229,032	49,030	1,571	276,491
Capital assets, depreciated:				
Land improvements	243	-	-	243
Structures and improvements	261,147	7,680	-	268,827
Equipment	78,369	7,424	5,387	80,406
Vehicles	52,254	10,473	4,196	58,531
Infrastructure	123,587	277	-	123,864
Total capital assets, depreciated	515,600	25,854	9,583	531,871
Less accumulated depreciation for:				
Land improvements	119	12	-	131
Structures and improvements	71,875	5,341	-	77,216
Equipment	51,214	6,289	5,104	52,399
Vehicles	27,802	4,637	3,462	28,977
Infrastructure	36,157	1,272	-	37,429
Total accumulated depreciation	187,167	17,551	8,566	196,152
Total capital assets, depreciated, net	328,433	8,303	1,017	335,719
Governmental activities capital assets, net	$ 557,465	$ 57,333	$ 2,588	$ 612,210
Business-type activities:				
Capital assets, non-depreciated:				
Land	$ 19,233	$ -	$ 12	$ 19,221
Construction in progress	27,129	9,166	442	35,853
Total capital assets, non-depreciated	46,362	9,166	454	55,074
Capital assets, depreciated:				
Land improvements	26,434	50	381	26,103
Structures and improvements	119,906	826	817	119,915
Equipment	20,639	1,497	298	21,838
Vehicles	529	-	-	529
Total capital assets, depreciated	167,508	2,373	1,496	168,385
Less accumulated depreciation for:				
Land improvements	11,358	1,104	167	12,295
Structures and improvements	48,033	3,201	375	50,859
Equipment	12,709	1,785	203	14,291
Vehicles	244	45	-	289
Total accumulated depreciation	72,344	6,135	745	77,734
Total capital assets, depreciated, net	95,164	(3,762)	751	90,651
Business-type activities capital assets, net	$ 141,526	$ 5,404	$ 1,205	$ 145,725

At June 30, 2001, the County made the following restatements to capital assets (in thousands):

Governmental activities capital assets as reported in the general fixed assets account group - June 30, 2001	$ 236,174
Internal Service Funds	32,626
Infrastructure assets, net of accumulated depreciation of $36,157	282,824
Additional capital assets, net of accumulated depreciation	5,841
Governmental activities capital assets as restated - June 30, 2001	$ 557,465
Business-type activities capital assets as reported in the enterprise funds - June 30, 2001	$ 145,905
Disposition of capital assets, net of accumulated depreciation	(4,379)
Business-type activities capital assets as restated - June 30, 2001	$ 141,526

Depreciation

Depreciation expense was charged to governmental functions as follows (in thousands):

General government:		
General administration	$	1,851
Finance		461
Property management		306
Other		42
Total general government		2,660
Public protection:		
Judicial		321
Police protection		1,429
Detention and correction		2,191
Fire		1,745
Flood control & soil & water conservation		41
Protective inspection		2
Other		497
Total public protection		6,226
Public ways and facilities		1,279
Health and sanitation services		216
Public assistance:		
Administration		17
Other		46
Total public assistance		63
Education		151
Capital assets held by the government internal service funds are charged to the various functions based on their usage of the assets		6,956
Total depreciation expense - governmental functions	$	17,551

Depreciation expense was charged to the business-type functions as follows (in thousands):

Medical Center	$ 2,959
Department of Airports	1,280
Waterworks District	1,073
Parks Deparment	460
Channel Islands Harbor Expansion	219
Channel Islands Harbor	144
Total depreciation expense - business-type functions	$ 6,135

Construction in Progress and Capital Projects Commitments

Construction in progress for governmental activities represents work being performed on the Juvenile Justice Complex and a number of smaller projects. Construction in progress in the business-type activities represents work being performed on the Medical Center and in the Waterworks District and a number of smaller projects.

Construction in progress and capital projects commitments are as follows (in thousands):

	Construction in Progress Balance June 30, 2002	Additional Committed Funds
Governmental activities	$ 73,831	$ 29,384
Business-type activities:		
Medical Center	$ 14,916	$ 16
Airports	4,679	1,827
Waterworks Districts	15,829	633
Parks	251	-
Channel Islands Harbor	178	181
Total business-type activities	$ 35,853	$ 2,657

Long-term commitments for infrastructure construction contracts included in governmental activities totaled $12,157,000 (principally for road and flood control projects) at June 30, 2002.

NOTE 10 - ACCRUED LIABILITIES

Accrued liabilities at year-end of the County's major, non-major, and internal service funds in the aggregate are as follows (in thousands):

Governmental Funds	General Fund	Roads	Flood Control Districts	Fire Protection District	Non-major Governmental Funds	Total Governmental Funds
Accrued salaries and benefits	$ 7,289	$ -	$ -	$ 1,122	$ 238	$ 8,649
Audit disallowances:						
Mental Health Short Doyle	3,729	-	-	-	-	3,729
Courts maintenance of effort	612	-	-	-	-	612
Child support	1,723	-	-	-	-	1,723
SB 90	922	-	-	-	-	922
Accrued interest on tax and revenue anticipation notes	4,069	-	-	-	-	4,069
Clearing and other liabilities	28,662	28	482	37	89	29,298
Total	$ 47,006	$ 28	$ 482	$ 1,159	$ 327	$ 49,002

Proprietary Funds	Medical Center	Department of Airports	Waterworks Districts	Non-major Enterprise Funds	Total Enterprise Funds	Internal Service Funds
Accrued salaries and benefits	$ 1,096	$ 36	$ -	$ 69	$ 1,201	$ 1,072
Estimated Medicare disallowance	2,600	-	-	-	2,600	-
Clearing fund and other liabilities	512	-	136	57	705	330
Total	$ 4,208	$ 36	$ 136	$ 126	$ 4,506	$ 1,402

NOTE 11 – LEASES

Operating Leases

The County is committed under various noncancelable operating leases (principally in the General Fund). Future minimum operating lease commitments are as follows (in thousands):

Year ending June 30:	Governmental Activities	Business-type Activities
2003	$ 3,890	$ 660
2004	3,046	621
2005	1,452	395
2006	761	251
2007	241	83
2008-2012	36	85
Total Minimum Payments Required	$ 9,426	$ 2,095

Rental expense for County-wide operating leases was $15,521,000 for the year ended June 30, 2002. Contingent rental revenues under operating leases are based on percentages of lessee sales and totaled approximately $939,000 for the year ended June 30, 2002.

The Harbor, Parks Department, and Airport Enterprise Funds lease properties to others under operating leases with terms of up to 98 years. The following is a summary of future minimum rental revenues on noncancelable leases at June 30, 2002 (in thousands):

Year ending June 30:	Amounts	Year ending June 30 (continued):	Amounts
2003	$ 4,860	2048-2052	$ 2,903
2004	5,527	2053-2057	857
2005	5,281	2058-2062	722
2006	5,255	2063-2067	722
2007	5,249	2068-2072	721
2008-2012	18,851	2073-2077	721
2013-2017	17,011	2078-2082	721
2018-2022	12,597	2083-2087	721
2023-2027	8,410	2088-2092	721
2028-2032	6,297	2093-2097	721
2033-2037	5,441	2098-2102	361
2038-2042	5,190		
2043-2047	3,920	Total	$ 113,780

Capital Leases

The County has entered into certain capital lease agreements under which the related equipment will become the property of the County when all terms of the lease agreements are met. There were no capital leases in the governmental activities.

The following is a schedule of property leased under capital leases by major classes in the business-type activities at June 30, 2002 (in thousands):

	Business-Type Activities
Structures and improvements	$ 789
Less: accumulated amortization	611
Total net of amortization	$ 178

As of June 30, 2002, capital lease annual amortization is as follows (in thousands):

	Business-Type Activities
Year ending June 30:	
2003	$ 18
2004	17
2005	17
2006	16
2007	16
2008-2012	70
2013-2017	8
Total requirements	162
Less: amount representing interest	33
Present value of remaining payments	$ 129

NOTE 12 – LONG-TERM DEBT

Long-term obligations of the County consist of general obligation bonds, certificates of participation and lease revenue bonds, tax exempt commercial paper, loans payable, pension obligation bonds, capital leases, compensated absences, and other liabilities. Capitalized lease obligations are described further at Note 11.

General obligation bonds are not collateralized and are a direct obligation of the Flood Control and Waterworks Districts with revenue for retirement of such bonds provided from ad valorem taxes on property within the districts.

Certificates of participation and lease revenue bonds are obligations of a public entity based on a lease agreement and are paid by lease payments from County departments/funds for use of the facilities or equipment constructed or purchased from the debt proceeds. Tax exempt commercial papers are unsecured short-term promissory notes issued with maturities ranging from two to 270 days. Pension obligation bonds provided funding for the unfunded actuarial accrued liability with respect to retirement benefits for County employees as of December 1, 1995.

Compensated absences are liabilities for vacation, vested sick leave benefits, and compensatory time reported as required by GASB Statement Nos. 18 and 34.

Other liabilities include the liability for medical malpractice insurance claims incurred but not reported (tail coverage) for General Fund health departments and the Leaking Underground Fuel Tanks (LUFT) obligations for Fire Protection District, Transportation Internal Service Fund, and Department of Airports.

The PFC has provided five separate issues of debt securities beginning with PFC I in 1976 that was used to build the Victoria Avenue administrative complex and justice center. Completed projects included in the current issue, PFC V 1998, are acquisition of the Knoll Drive building, renovation of the 646 County Square Drive building, generator/utility replacement at the Medical Center, and refinancing of the State Loan on the Harbor fuel dock.

The PFA was formed in August of 1998. The tax exempt commercial paper was used to refund PFC I and is currently used to upgrade information systems and programs including the Ventura County Integrated Justice Information System (VCIJIS), renovation or acquisition of facilities, and acquisition of medical equipment.

On July 01, 2001, the Authority issued $75,975,000 of 2001 Certificates of Participation (Public Financing Authority I) Series A (COPs) at a premium of $2,602,000 in $5,000 denominations with interest ranging from 4.000% to 5.250% to finance the following projects: (i) construction of a medical laboratory and dietary facility at the Medical Center, (ii) construction of a Juvenile Justice Facility, (iii) refinancing of an existing lease for the acquisition and refurbishment of two helicopters, (iv) finance the acquisition of generators for the 800 South Victoria Avenue County of Ventura Government Center and (v) advance refunding of the 1993 Certificates of Participation (Public Facilities Corporation IV) originally issued in the aggregate amount of $34,765,000 and to fund a reserve fund, capitalized interest, a deposit to administrative expense fund, and to pay the cost of issuance.

At the date of issuance of the COPs, the PFA allocated $21,881,000 to advance refund existing long-term indebtedness of PFC IV Certificates of Participation. Such monies consisted of $19,015,000 from the proceeds of the 2001 COPs and $2,866,000 in existing restricted monies from PFC IV. In addition, PFC IV contributed $1,925,000 directly to the PFA to assist in the establishment of the PFA's required bond reserve amount. Such funds, exclusive of amounts transferred directly to the PFA from PFC IV, were deposited in an irrevocable trust with an independent escrow agent to provide for all future debt service payments of the PFC IV COPs. As a result, the PFC IV is considered to be defeased and the liability for these obligations was removed from the PFC financial statements. There are no other prior-year defeased bonds with an escrow agent.

Calculations to compute the accounting loss on the refunding portion of the 2001 COPs' financing transactions were completed under authority of Governmental Standards Board Statement No. 7, *Advance Refunding Resulting in Defeasance of Debt* and GASB Statement No. 23, *Accounting and Financial Report for Refunding of Debt Reported by Proprietary Activities.*

The Authority completed the overall refunding to reduce the County's total debt service payments over the next seven years by $368,000 and to obtain an economic gain (difference between the present value of the old and new debt service payments) of $276,000. The advance refunding portion of the 2001 COPs resulted in a calculated loss difference between the reacquisition price and the net carrying amount of the old debt of $1.4 million. The calculated loss attributable to Medical Center is $527,000 related to the Mental Health Inpatient Unit and West Ventura Clinic projects. The loss has been expensed by Medical Center due to the immateriality of potential amortized annual amounts.

A prior-year account receivable from Santa Paula Water Works on PFC IV books consisted of an advance of $1,051,000. The account receivable was transferred at the non-discounted value of $841,000 to the General Fund as of June 30, 2002. The annual payment of $26,000 is now received in the General Fund.

Long-term liabilities and a summary of long-term liability transactions at June 30, 2002 consisted of the following (in thousands):

Type of Indebtedness	Maturity	Interest Rates	Original Issue Amount
Governmental activities:			
General Obligation Bonds:			
Ventura County Flood Control District	03/01/03-03/01/04	4.75 - 4.87%	$ 2,435
Certificates of Participation/Lease Revenue:			
Public Facilities Corporation (PFC IV)	Defeased	N/A	-
Public Facilities Corporation (PFC V)	08/15/02-08/15/13	4.00 - 4.625%	3,160
Public Financing Authority (2001) (General Fund)	08/15/02-08/15/16	4.00 - 5.375%	48,189
Public Financing Authority (2001) (GSA Facilities)	08/15/02-08/15/16	4.00 - 5.375%	4,365
Other Public Authorities Lease Revenue Bonds - Simi Valley Library	10/01/02	5.60%	2,850
Total Certificates Of Participation/ Lease Revenue Bonds			58,564
Tax Exempt Commercial Papers:			
Public Financing Authority	Rolling	Market	47,107
Public Financing Authority (Information Systems)	Rolling	Market	5,763
Public Financing Authority (GSA Facilities)	Rolling	Market	1,069
Total Tax Exempt Commercial Paper			53,939
Loans Payable:			
County Service Areas Loans Payable	11/16/02-11/16/08	6.60%	459
Piru Redevelopment Loan Payable	N/A	N/A	150
Total Loans Payable			609
Pension Obligation Bonds	11/01/02-11/01/07	6.28 - 6.63%	154,510
Capital Lease Obligations	07/25/01	5.92%	6,707
Compensated Absences	N/A	N/A	-
Other Liabilities	N/A	N/A	-
Total Governmental Activities			$ 276,764

Outstanding June 30, 2001, Restated	Additions and Transfers	Maturities and Transfers	Outstanding June 30, 2002	Amount Due Within One Year	Type of Indebtedness
					Governmental activities:
					General Obligation Bonds:
$ 1,060	$ -	$ 485	$ 575	$ 280	Ventura County Flood Control District
					Certificates of Participation/Lease Revenue:
13,089	-	13,089	-	-	Public Facilities Corporation (PFC IV)
2,870	-	175	2,695	180	Public Facilities Corporation (PFC V)
-	48,189	-	48,189	2,047	Public Financing Authority (2001) (General Fund)
-	4,365	-	4,365	200	Public Financing Authority (2001) (GSA Facilities)
400	-	200	200	200	Other Public Authorities Lease Revenue Bonds - Simi Valley Library
16,359	52,554	13,464	55,449	2,627	Total Certificates Of Participation/ Lease Revenue Bonds
					Tax Exempt Commercial Papers:
28,330	3,104	13,624	17,810	5,269	Public Financing Authority
4,628	18	743	3,903	740	Public Financing Authority (Information Systems)
740	329	1,069	-	-	Public Financing Authority (GSA Facilities)
33,698	3,451	15,436	21,713	6,009	Total Tax Exempt Commercial Paper
					Loans Payable:
231	-	23	208	24	County Service Areas Loans Payable
130	-	-	130	-	Piru Redevelopment Loan Payable
361	-	23	338	24	Total Loans Payable
115,295	-	12,115	103,180	13,880	*Pension Obligation Bonds*
6,443	-	6,443	-	-	*Capital Lease Obligations*
43,424	20,231	17,598	46,057	18,760	*Compensated Absences*
2,131	-	545	1,586	670	*Other Liabilities*
$ 218,771	$ 76,236	$ 66,109	$ 228,898	$ 42,250	Total Governmental Activities

Type of Indebtedness	Maturity	Interest Rates	Original Issue Amount
Business-type Activities:			
General Obligation Bonds:			
Waterworks District			
General Obligation Bonds	04/15/01	6.75%	$ -
General Obligation Bonds	05/01/03	6.75%	220
General Obligation Bonds	07/15/02-07/15/03	7.25%	215
General Obligation Bonds	07/01/02-07/01/03	5.625%	290
Total General Obligation Bonds			725
Certificates of Participation:			
Medical Center PFC IV	Defeased	N/A	-
Medical Center PFC V	08/15/02-08/15/13	4.00 - 4.625%	8,695
Harbor Fuel Dock Loan PFC V	08/15/02-08/15/13	4.00 - 4.625%	530
Medical Center PFA 2001	08/15/02-08/15/16	4.00 - 5.375%	23,420
Total Certificates of Participation			32,645
Tax Exempt Commercial Paper:			
Medical PFA TECP	Rolling	Market	4,908
Loans Payable:			
Airports DOT Airport Loan Program	08/13/02-08/13/15	4.984%	240
Airports DOT Airport Loan Program	05/13/02-05/13/14	4.635%	260
Channel Islands Harbor Loan	06/15/02-06/15/12	6.00%	450
Harbor State Loan Recreation	08/01/01	4.50%	-
Harbor State Loan Recreation	08/01/02-08/01/05	4.50%	1,225
Harbor State Loan Recreation	08/01/02-08/01/09	4.50%	4,668
Waterworks District State Loan	04/01/03-04/01/14	3.371%	260
Total Loans Payable			7,103
Capital Lease Obligations - Parks	Monthly to 02/13	4.75%	311
Compensated Absences	N/A	N/A	-
Other Liabilities	N/A	N/A	-
Total Business-type Activities			$ 45,692

Outstanding June 30, 2001 Restated	Additions and Transfers	Maturities and Transfers	Outstanding June 30, 2002	Amount Due Within One Year	Type of Indebtedness
					Business-type Activities:
					General Obligation Bonds:
					Waterworks District
$ 65	$ -	$ 65	$ -	$ -	General Obligation Bonds
20	-	10	10	10	General Obligation Bonds
50	-	15	35	15	General Obligation Bonds
60	-	15	45	20	General Obligation Bonds
195	-	105	90	45	Total General Obligation Bonds
					Certificates of Participation:
7,751	-	7,751	-	-	Medical Center PFC IV
8,695	-	520	8,175	540	Medical Center PFC V
480	-	30	450	30	Harbor Fuel Dock Loan PFC V
-	23,420	-	23,420	888	Medical Center PFA 2001
16,926	23,420	8,301	32,045	1,458	Total Certificates of Participation
					Tax Exempt Commercial Paper:
2,451	-	364	2,087	429	Medical Center PFA TECP
					Loans Payable:
221	-	10	211	10	Airports DOT Airport Loan Program
238	-	11	227	14	Airports DOT Airport Loan Program
270	-	20	250	20	Channel Islands Harbor Loan
44	-	44	-	-	Harbor State Loan Recreation
352	-	65	287	67	Harbor State Loan Recreation
2,430	-	225	2,205	235	Harbor State Loan Recreation
171	-	9	162	10	Waterworks District State Loan
3,726	-	384	3,342	356	Total Loans Payable
141	-	12	129	12	*Capital Lease Obligations - Parks*
3,007	2,100	1,853	3,254	1,973	*Compensated Absences*
960	51	61	950	710	*Other Liabilities*
$ 27,406	$ 25,571	$ 11,080	$ 41,897	$ 4,983	Total Business-type Activities

As of June 30, 2002, annual debt service requirements of governmental activities to maturity are as follows (in thousands):

Year ending June 30:	General Obligation Bonds		Certificates of Participation		Tax Exempt Commercial Paper		Loans Payable		Pension Obligation Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2003	$ 280	$ 28	$ 2,627	$ 2,491	$ 6,009	$ 700	$ 24	$ 14	$ 13,880	$ 6,275
2004	295	14	2,579	2,384	5,160	524	26	12	15,830	5,328
2005	-	-	4,401	2,247	5,067	347	28	10	17,970	4,234
2006	-	-	4,569	2,060	1,818	174	29	9	20,315	2,986
2007	-	-	4,760	1,862	1,874	113	31	7	22,875	1,569
2008-2012	-	-	20,624	6,284	1,450	114	70	6	12,310	408
2013-2017	-	-	15,889	2,128	335	12	130	-	-	-
Total	$ 575	$ 42	$ 55,449	$ 19,456	$ 21,713	$ 1,984	$ 338	$ 58	$ 103,180	$ 20,800

Interest payments and lease revenue bonds and certificate of participation retirements are serviced by revenues generated from lease payments made by the General Fund on leased facilities.

As of June 30, 2002, annual debt service requirements of business-type activities to maturity are as follows (in thousands):

Year ending June 30:	General Obligation Bonds		Certificates of Participation		Tax Exempt Commercial Paper		Loans Payable	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2003	$ 45	$ 5	$ 1,458	$ 1,420	$ 429	$ 73	$ 356	$ 150
2004	45	1	1,536	1,361	444	58	373	134
2005	-	-	2,539	1,279	459	42	389	118
2006	-	-	2,645	1,173	475	27	408	102
2007	-	-	2,750	1,060	280	10	346	81
2008-2012	-	-	11,907	3,582	-	-	1,316	172
2013-2017	-	-	9,210	1,105	-	-	154	14
Total	$ 90	$ 6	$ 32,045	$ 10,980	$ 2,087	$ 210	$ 3,342	$ 771

Legal Debt Limit

The County's legal annual debt limit as of June 30, 2002 is approximately $774,625,000. The County's legal debt limit is set by statute at 1.25 percent of total assessed valuation. The general bonded debt per capita is $0.85. The general obligation debt subject to the debt limit is $218,819,000.

Arbitrage

The Internal Revenue Code of 1986, Sections 103 and 141 through 150, restricts the amount of interest earned on the proceeds of tax-exempt issuances. The interest earnings rate cannot exceed the yield on the tax-exempt borrowings. The issuer is required to rebate any excess earnings to the federal government.

Every fifth year, until the last COP is paid or redeemed, an arbitrage calculation is required by the Internal Revenue Service. At least 90 percent of the arbitrage calculation is required to be paid at the installment due date. As of June 30, 2000, 100 percent of the arbitrage has been paid. The trustee yield-restricted all investments in accordance with the trustee's agreement; therefore, the arbitrage rebate amount should not fluctuate significantly in future years.

Special Assessment Debt

As of June 30, 2002, special assessment bonds were outstanding in the amounts of $4,990,000 of Local Agency Revenue Bonds, 1998 Series "A", and $4,750,000 of Limited Obligation Refunding Improvement Bonds for Reassessment District No. 98-1 (Lake Sherwood). On August 26, 1998, the PFA, a joint powers agreement between the County and the Lake Sherwood Community Services District, issued the Local Agency bonds and used the proceeds to purchase the Limited Obligation Bonds from the County. The payment for the Limited Obligation Bonds was used to refund the original District 90-1 (Lake Sherwood) Bonds.

The County acts as an agent for the property owners in collecting assessments, forwarding the collections to the bondholders, and initiating foreclosure proceedings, if appropriate. However, the County is not obligated in any manner for repayment of these special assessment bonds, and the bonds are not reported in the accompanying financial statements. The PFA has also issued other County debt that is included in the accompanying financial statements.

NOTE 13 – NET ASSETS/FUND BALANCES

The government-wide and proprietary fund financial statements utilize a net assets presentation. Net assets are categorized as invested in capital assets (net of related debt), restricted, and unrestricted.

- *Invested In Capital Assets, Net of Related Debt* – This category groups all capital assets, including infrastructure, into one component of net assets. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.

- *Restricted Net Assets* – This category represents assets subject to external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation. Outstanding debt attributable to these assets reduce the balance of this category.

- *Unrestricted Net Assets* – This category represents net assets of the County, not restricted for any project or other purpose. Outstanding debt attributable to these assets reduce the balance of this category.

Restricted net assets are reported in the government-wide statement of net assets as follows (in thousands):

	Governmental Activities	Business-type Activities	Total
Restricted by creditors	$ 632	$ 17,024	$ 17,656
Restricted by regulations of other governments	-	1,620	1,620
Restricted by grantors	35,474	3,006	38,480
Total	$ 36,106	$ 21,650	$ 57,756

In the fund financial statements, governmental funds report reservations of fund balance/net assets for amounts that are not available for appropriation or are legally restricted for use for a specific purpose. In addition, the Board of Supervisors has established certain fund balance reserves for future purposes that are essentially designations of fund balances that represent tentative management plans that are subject to change. Fund balances at June 30, 2002 are reserved for the following purposes and as detailed below:

- *Encumbrances* – to reflect the outstanding contractual obligations for which goods and services have not been received.
- *Long-term receivables* – to reflect the amount of advances and loans that are long-term in nature. Such amounts do not represent available spendable resources.
- *Imprest cash* - to reflect the portion of assets set aside for the purpose of minor disbursements or disbursements for a specific purpose.
- *Inventories* – to reflect the portion of assets which do not represent available spendable resources.
- *Debt service* – to reflect the funds held by trustees or fiscal agents for future payment of bond principal and interest. These funds are not available for general operations.
- *Other legal restrictions* – to reflect the portion of assets subject to externally imposed restrictions. Such amounts are not available for general operations.
- *Future purpose* – to reflect the portion of assets reserved for future purposes by actions of the Board of Supervisors.

	General Fund	Roads	Flood Control Districts	Fire Protection District	Non-Major Governmental Funds	Total
Amounts Not Available for Appropriations						
Encumbrances	$ 8,378	$11,147	$ 2,319	$ 3,533	$ 209	$ 25,586
Long-term receivables	1,167	-	-	-	1,134	2,301
Imprest cash funds	130	-	-	-	2	132
Inventory	49	-	-	864	21	934
Debt service	-	-	-	-	19,404	19,404
Other legal restrictions	14,143	-	-	-	-	14,143
Total unavailable	23,867	11,147	2,319	4,397	20,770	62,500
Fund Balances Reserved by Board for a Future Purpose						
General reserve	6,500	-	-	-	22	6,522
Contingency	6,809	-	-	-	-	6,809
Litigation	260	-	233	-	-	493
Juvenile facilities	3,452	-	-	-	-	3,452
Capital asset acquisition and replacement	5,000	-	-	4,228	105	9,333
Low and moderate housing	-	-	-	-	169	169
Future road projects	-	5,434	-	-	-	5,434
Future flood control projects	-	-	3,159	-	-	3,159
Future year financing	25,311	8,938	21,698	251	2,878	59,076
Total reserved by Board	47,332	14,372	25,090	4,479	3,174	94,447
Reserved fund balances	$71,199	$25,519	$27,409	$ 8,876	$ 23,944	$156,947

NOTE 14 – PENSION PLANS

VCERA Plan

(a) Plan Description

The County has a contributory defined benefit plan (Plan) established pursuant to Government Code Sections 31450 through 31899 and administered by the VCERA. VCERA operates a cost-sharing, multiple-employer system with substantially all member employers included in the County's primary government reporting entity. Covered employees include those from Courts, Air Pollution Control District and other smaller special districts. Due to the relative insignificance of the non-County employers participating in the plan, the County has elected to include financial statement disclosures required for a single-employer plan. Membership in the VCERA is mandatory for substantially all employees.

VCERA is governed by the Board of Retirement. The Plan's benefit provisions and contribution requirements are established by state law and resolutions and ordinances adopted by the Board of Retirement and Board of Supervisors. VCERA issues a stand-alone financial report. A copy of this report can be obtained by contacting the Retirement Association at 1190 South Victoria Avenue, Suite 200, Ventura, California, 93003.

Plan members are classified as either General or Safety categories. General members employed prior to or on June 29, 1979 are designated as Tier I members. General members employed after June 29, 1979 are designated as Tier II members. All Safety members are classified as Tier I regardless of date of hire and include eligible Sheriff's Department, Fire Department, and District Attorney employees.

(b) Retirement Benefits

A General or Safety member with 10 or more years of County service is entitled to an annual retirement allowance beginning at age 50. General members with 30 or more years of service and Safety members with 20 or more years of service may begin receiving a retirement allowance regardless of age. The basic retirement allowance is based upon the member's age, years of retirement service credit, and final average compensation.

Employees terminating before accruing five years of retirement service credit (five-year vesting) forfeit the right to receive retirement benefits unless they establish reciprocity with another public agency within the prescribed time period. Non-vested employees who terminate service are entitled to withdraw their accumulated contributions plus accrued interest. Employees who terminate service after earning five years of retirement service credit may leave their contributions on deposit and elect to take a deferred retirement.

In addition, certain death, disability, and supplemental benefits are provided to eligible employees. Cost of living adjustments of up to three percent per annum are made for all Tier 1 employees.

(c) Actuarially Determined Contribution Requirements

The funding policy provides for periodic employer and employee contributions at actuarially determined rates, expressed as level percentages of annual covered payroll, that are sufficient to accumulate the required assets to pay benefits when due. The smoothing of market value method is used to determine the actuarial value of assets. In accordance with various employee collective bargaining agreements, the County subsidizes the employees' regular contributions in various amounts, depending on the classification of the employee. Contribution rates for employees range from 5.67 percent to 11.56 percent of retirement compensation base. Contribution rates are determined using the entry age normal actuarial cost method. Under this method, normal cost and the amortization of the unfunded actuarial accrued liability is expressed as a level percentage of payroll.

Employee and employer contribution rates in effect during fiscal year 2001-02 were based on the actuarial valuation performed as of June 30, 2000. The significant actuarial assumptions in the June 30, 2002 actuarial valuation are summarized as follows:

	Assumptions
(a) Rate of return on investment (net administration)	8.25%
(b) Projected salary increases	5.00%
Amount attributable to inflation	4.25%
Amount attributable to seniority and merit	0.75%
(c) Annual cost of living increases after retirement (Tier 1 members only)	3.00%

(d) Contributions and Transfers Made

As a condition of participation, employees are required to contribute a percentage of their annual compensation to the Plan. The balance of member contributions, General and Safety, on deposit at June 30, 2002, was $330,469,000. The County's contribution to the Plan, based on actuarially determined percentages of payroll costs, together with employees' contributions, are intended to provide the defined benefits of the Plan. Employer contributions on deposit at June 30, 2002 were $399,383,000.

No employer contributions were made in fiscal years 1999-00, 2000-01, and 2001-02. These contributions represent 100 percent of the annual pension cost required for fiscal years 2000, 2001, and 2002. Therefore, in accordance with GASB Statement No. 27, there is no net pension obligation for fiscal years 2000, 2001, and 2002.

The County also made other employer contributions. Payments were made on behalf of employees as a result of employer-employee negotiations for fiscal years 1999-00, 2000-01, and 2001-02, in the amounts of $4,622,000, $4,833,000, and $5,105,000, respectively. The negotiated amounts are credited to the County Advance Reserves of VCERA and do not vest with the employee.

The employees contributed $8,190,000 (or 1.95 percent of covered payroll), including $2,156,000 for purchase of service credits in fiscal year 2001-02. In addition, the County contributed $15,182,000 on behalf of the employees as a "pickup" of employee contributions as a result of the employer-employee negotiations. This was credited to the individual employee accounts.

(e) Required Supplementary Information (Unaudited)

The supplemental schedule of funding progress for the three most recent actuarial valuations is as follows (in thousands):

Actuarial Valuation June 30	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Funding Excess) AAL (b-a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	(Funding Excess) AAL as a Percentage of Covered Payroll ((b-a)/c)
2000	$ 2,009,293	$ 1,640,811	$(368,482)	122.46%	$ 353,902	(104.12)%
2001	2,119,044	1,776,565	(342,479)	119.28%	387,401	(88.40)%
2002	2,128,354	1,918,585	(209,769)	110.93%	419,048	(50.06)%

(f) Investment Valuation

VCERA's investments are stated at fair value. The fair value of investments is based on published market prices and quotations from major investment brokers at current exchange rates, as available. The fair value of the VCERA's position in their trustee's investment pool is the same as the value of the pool shares. Other than those investments issued or guaranteed by the United States Government, no investments in any one organization represent five percent or more of net plan assets.

Supplemental Retirement Plan

(a) Plan Description

The SRP is a single employer contributory defined benefit pension plan governed by the Board of Supervisors and provisions of Internal Revenue Code Section 401. The SRP was adopted on January 1, 1992, and amended on August 31, 1993 and in April 2001. A separate financial statement is not issued by SRP. The schedule of funding progress and schedule of employer contributions are included in the Required Supplementary Information section of this report.

SRP has three parts. Part B, the "Safe Harbor" Plan, provides retirement benefits to County employees whose employment with the County does not otherwise entitle them to retirement benefits under the County's 1937 Act Retirement Plan or the Social Security Act and is in compliance with the Omnibus Budget Reconciliation Act of 1990. Part C, the "Golden Handshake" Plan, provides early retirement benefits to County employees pursuant to periodic early retirement incentive programs adopted by the County and is a tax qualified pension plan under Internal Revenue Code Section 401(a). Eligible employees are vested upon enrollment. Part D, the Elected Department Head benefit, became part of SRP in April 2001 and provides a supplemental retirement benefit to the County's elected department heads for retirement parity with appointed agency/department heads.

The plan year of the SRP is the County's fiscal year. The actuarial covered payroll for all employees covered by SRP for the fiscal year ended June 30, 2002 was $9,805,000 for Part B and $919,000 for Part D based on the actuarial valuation report as of June 30, 2002.

Plan membership at June 30, 2002 was as follows:

Member Classification	Number of Members
Retirees and beneficiaries currently receiving benefits:	
Supplemental Retirement members (Safe Harbor)	45
Early Retirement members (Golden Handshake)	42
Elected Department Head members	1
Current employees members:	
Supplemental Retirement members (Safe Harbor)	702
Elected Department Head members	6
Total	796

(b) Basis of Accounting

The accompanying financial statements were prepared on the accrual basis. Investment income is recognized when earned, and investment and administrative expenses are recorded when incurred. Employee and employer contributions are recognized as revenues in the period in which employee services are performed. Benefit payments and member refunds are recognized when due and payable in accordance with the terms of the Plan.

(c) Benefits

Under Safe Harbor, a participant's monthly benefit or lump sum benefit is based on the total amount of compensation for the period of the participant's benefit accrual service for the last 30 years of participation. The participant is entitled to the benefit at age 65, or the termination of employment, whichever is later. The benefit will be payable as a single life annuity or if the actuarial present value of the accrued benefit is not more than $5,000, in lieu of the monthly benefit, a one-time lump sum amount will be paid. If the participant dies before retirement benefits begin, the participant's beneficiary will be entitled to receive a lump-sum death benefit payment.

Under Golden Handshake, the benefit is a monthly retirement benefit payable to the participant for life. Upon the death of the participant, the monthly retirement benefit shall be paid to the participant's surviving spouse, if any, for life.

The Elected Department Head benefit is a supplemental monthly retirement benefit payable to the participant for life. Upon the death of the participant, the monthly retirement benefit shall be paid to the surviving spouse for life, depending on the retirement payment option selected.

(d) Actuarially Determined Contribution Requirement

The funding policy provides for periodic employer and employee contributions at actuarially determined rates expressed as percentages of annual covered payroll that are sufficient to accumulate the required assets to pay benefits when due. The actuarial cost method for Parts B and C is the traditional Unit Credit Cost method and for Part D, the Entry Age Normal method. The actuarial value of assets is fair value. The amortization method for Parts B and C is Level Dollar and for Part D is Level Percentage of Pay. The remaining amortization period is 10 years (rolling).

The current assumptions for funding purposes are based on the actuarial valuation report as of June 30, 2002.

	Assumptions
(a) Assumed rate of investment earnings	8%
(b) Assumed Group Annuity Mortality Table	CalPERS (Plan B), 1983 Group (Plans C and D)
(c) Salary projection rate	4%
(d) Inflation rate	3%
(e) Cost of living	0-3%

(e) Contributions

Contribution information for the three plans in SRP is as follows:

- Safe Harbor: Each participant contributes three percent of compensation to the plan on a pre-tax basis. Employee contributions cease upon attainment of 30 years of Benefit Accrual Service. The balance of member contributions at fair value on deposit at June 30, 2002 was $4,947,000. There were no employer contributions for fiscal year 2001-02. Based on an unfunded accrued liability at June 30, 2002 of $746,000, employer contributions of 1.42 percent of covered payroll will be proposed for fiscal year 2003-04. Employee contributions were $287,000 (or 2.92 percent of covered payroll) for the fiscal year 2001-02.

- Golden Handshake: This benefit is funded by employer contributions.

- Elected Department Heads: The benefit is funded by employer contributions amounting to $128,000 in 2001-02.

Employer contributions for SRP at fair value on June 30, 2002 were $2,265,000. Employer contributions in accordance with actuarially determined requirements were $153,000 in fiscal year 1999-00 and $128,000 in fiscal years 2000-01 and 2001-02. These contributions represent 100 percent of the annual pension cost required for fiscal years 1999-00, 2000-01, and 2001-02. The annual required contribution equals normal cost minus expected employee contributions as applicable plus 10 years amortization of the unfunded actuarial accrued liability. The Schedule of Funding Progress and Schedule of Employer Contributions are included in Required Supplementary Information.

The fair value of the SRP investment portfolio decreased in fiscal year 2001-02 by $682,000 due to financial market conditions. Total deductions of $357,000 are due to benefit payments and administrative costs.

(f) Administrative Expenses

The costs of administration of the Plan shall be paid from the Plan, as long as the expenses are considered reasonable by the Plan Administrator. Such expenses shall include, but are not limited to, expenses for professional, legal, accounting, actuarial, and investment services. Administrative expenses for fiscal year 2001-02 totaled $172,000.

Management Retiree Health Payment

On June 8, 1999, the Board adopted a new benefit for management employees. Employees who retired after July 1, 1999 became eligible to receive one year of payments for five years of service, up to a maximum of five years of coverage. Payments of approximately $280 per month were equivalent to premiums for the Ventura County Health Care Plan. Total payments in fiscal year 2001-02 were $316,000. Estimated total payments for fiscal year 2002-03 are $420,000. The payments do not constitute any guarantee of medical care benefits.

NOTE 15 - TAX AND REVENUE ANTICIPATION NOTES PAYABLE

On July 3, 2001, the County issued $80,000,000 in Tax and Revenue Anticipation Notes (Notes) at a 5.10 percent interest rate, priced to yield 2.59 percent, to meet current year cash flow requirements for operational needs. At June 30, 2002, the outstanding principal was $80,000,000. Principal and interest for fiscal year 2001-02 was paid on July 2, 2002, the maturity date of these notes.

The Notes, in accordance with California law, are general obligations of the County and are payable from fiscal year 2001-02 taxes and other revenues, which are legally available for payment thereof.

The summary of the notes transactions for the fiscal year ended June 30, 2002 is as follows:

Beginning Balance June 30, 2001	Additions	Reductions	Ending Balance June 30, 2002	Due Within One Year
$90,000,000	$80,000,000	$90,000,000	$80,000,000	$80,000,000

NOTE 16 – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; hospital liability (malpractice); errors and omissions; theft of, damage to, and destruction of assets; and natural disasters for which the government is either self-insured, commercially insured, or a combination of both.

The Human Resources Department acquired commercial insurance, effective December 1993, for primary group medical insurance. Unemployment and disability insurance is self-insured and is also administered by the Human Resources Department within the Employee Benefits Insurance Internal Service Fund. Professional Firefighters and Deputy Sheriffs Associations also administer commercial group medical insurance plans available for their members.

The Ventura County Health Care Plan (VCHCP), administered by the Health Care Agency, provides a County self-insured medical plan for County employees. In addition, a separate self-insured plan is offered to certain other County employees and to related clinic employees through their employers. A state Healthy Families plan is also available from VCHCP. Excess commercial coverage is also purchased for VCHCP.

The County is the State administrator for the mental health managed care programs for inpatient care effective January 15, 1995, and outpatient care effective April 1, 1998. Future capitated rates will be set by the State.

The Risk Management Department within the General Insurance Internal Service Fund administers the commercial and self-insurance aspects of the County's risk programs. General liability is self-insured to $250,000 per occurrence, thereafter, covered by excess commercial liability insurance to $20 million per occurrence, then self-insured to an unlimited amount. Medical malpractice liability insurance provides deductibles of $100,000 (aggregate maximum $600,000) indemnity per claim and provides liability coverage up to $50 million per claim. Medical malpractice tail coverage is self-insured. The Risk Management Department maintains commercial insurance for workers' compensation occurrences, with unlimited coverage for employees. There were no claims settlements that have exceeded insurance coverages during the past three fiscal years.

The unpaid claims liabilities included in the self-insurance fund are based on actuarial studies and include amounts for claims incurred but not reported. Beginning with fiscal year 1994-95, the General Insurance liabilities were discounted at 5.5 percent. The revenue received, including interest, and contribution funded liabilities, and net assets are sufficient to meet liabilities as they come due.

Changes in the balances of claims liabilities of General Insurance and Employee Benefits Internal Service Funds and Health Care Plan Enterprise Fund during fiscal years 2000-2001 and 2001-2002 are as follows (in thousands):

	2001	2002
Accrued insurance losses, beginning	$ 18,539	$ 18,901
Incurred losses	14,419	17,048
Claim payments	(14,057)	(15,994)
Accrued insurance losses, ending	$ 18,901	$ 19,955

NOTE 17 – CONTINGENCIES

State Audits

A State Controller's Office (SCO) audit found that the County overstated the one-time Educational Revenue Augmentation Fund (ERAF) shift credit in the amount of $6,960,000. The SCO claims that the County used an incorrect cut-off date for claiming the available credit resulting in an underpayment by the County to the ERAF. The SCO denied an administrative appeal. A legislative appeal was not finalized during the past session and will be appealed again in the next legislative session. Any liability will be covered by available resources and will not have a material adverse effect on the County's operation or financial position.

Grants

The County recognizes as revenue grant monies received as reimbursement for costs incurred in certain federal and state programs it administers. The County's grant programs have been audited through June 30, 2002 under the requirements of the Single Audit Act of 1997 and OMB Circular A-133. Such programs are generally subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement to grantor agencies for expenditures disallowed under the terms of the grant or in reductions of future grant monies. A designation for contingencies in the amount of $6,809,000 is set up in the General Fund for this possibility. Based upon prior experience, management believes that grant costs ultimately disallowed, if any, would not materially affect the financial condition of the County.

NOTE 18 – SUBSEQUENT EVENTS

Retirement

The Ventura County Deputy Sheriff's Association (VCDSA), several labor unions, and certain individuals sued VCERA and the County of Ventura contending that the opinion of the California Supreme Court in *Ventura County Deputy Sheriff's Association v. Board of Retirement* (1997) should be made retroactive so that any VCERA member retired from service would be eligible to have his or her final compensation recalculated, thereby resulting in higher pension benefits. During the past year, attorneys for the parties entered into settlement negotiations to resolve the above matter. On November 21, 2001, the judge approved the proposed settlement encompassing all claimants.

In accordance with the settlement terms, VCERA will recalculate retirement benefits for all retirees impacted by the agreement. The additional benefits resulting from the settlement will be paid from Net Assets Held in Trust to Pay Benefits and recovered through prospective adjustments to the employer contribution rate. The projected $31.5 million increase in accrued liabilities due to the settlement is included in the actuarial accrued liability as of June 30, 2002.

The Ventura County Deputy Sheriff's Association sued the County charging that surplus funds were used to avoid making pension contributions. A settlement on December 12, 2002 requires VCERA to transfer $25 million from County Advance Reserves to Undistributed Reserve. The impact is to accelerate the need for the County to begin making pension contributions.

Audit of Handicapped and Disabled Students Claim

The State Controller's Office audited claims filed for providing mental health services to children under the Senate Bill 90 Mandated Costs Reimbursement Program for Fiscal Years 1998-1999 and 1999-2000, and asserted that approximately $4.5 million in costs claimed were unallowable. On October 2, 2002, the governor signed State budget trailer bill AB 2781, which provides that the percentage of reimbursement for certain treatment costs are not subject to dispute, thereby reducing the total amount of potential audit disallowances by approximately $4 million. The County will continue to appeal the remaining $525,000 in disallowances. The effect of the legislation on the current audit is not known.

Tax and Revenue Anticipation Notes

On July 2, 2002, the County issued $105,000,000 of 3.00 percent fixed-rate, priced to yield 1.66 percent, tax and revenue anticipation notes. The notes received SP-1+ and MIG1 ratings from Standard and Poor's Corporation and Moody's Investors Services, respectively. Proceeds from the notes will be used to meet fiscal year 2002-03 expenditures including capital expenditures and the discharge of other obligations of the County. The maturity date of the notes is July 1, 2003.

Self-insurance Workers' Compensation

On July 1, 2002, the County elected to become self-insured for workers' compensation. Tail coverage fully insures the County for prior claims. Therefore, at June 30, 2002, there were no liabilities for workers' compensation claims. The County plans to build the necessary reserves through premiums charged to departments.

Required Supplementary Information

SUPPLEMENTAL RETIREMENT PLAN

Schedule of Funding Progress
(In Thousands)

(1)	Fiscal Year Ending June 30	Actuarial Valuation	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded (Funding Excess) AAL (b- a)	Funded Ratio (a/b)	Annual Covered Payroll (c)	Unfunded (Funding Excess) AAL as a Percentage of Covered Payroll ((b-a)/c)
B	2000	6/30/00	$ 6,916	$ 5,136	$ (1,780)	135%	$ 10,480	(16.98%)
B	2001	6/30/01	6,516	5,875	(641)	111%	10,015	(6.40%)
B	2002	6/30/02	5,876	6,622	746	89%	9,805	7.61%
C	2000	6/30/00	857	705	(152)	122%	N/A	N/A
C	2001	6/30/01	718	693	(25)	104%	N/A	N/A
C	2002	6/30/02	568	672	104	85%	N/A	N/A
D	2000	6/30/00	78	976	898	8%	759	118.31%
D	2001	6/30/01	185	993	808	19%	789	102.41%
D	2002	6/30/02	251	1,395	1,144	18%	919	124.48%

Schedule of Employer Contributions
(In Thousands)

(1)	Fiscal Year Ending June 30	Actuarial Valuation Date	Annual Required Contribution	Actual Contribution	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Cost
B	2000	6/30/00	$ -	$ -	$ -	N/A	$ -
B	2001	6/30/01	-	-	-	N/A	-
B	2002	6/30/02	-	-	-	N/A	-
C	2000	6/30/00	35	75	33	214%	-
C	2001	6/30/01	-	-	-	N/A	-
C	2002	6/30/02	-	-	-	N/A	-
D	2000	6/30/00	78	78	78	100%	-
D	2001	6/30/01	128	128	128	100%	-
D	2002	6/30/02	117	128	117	109%	(11)

(1) Part B (Safe Harbor), Part C (Golden Handshake), Part D (Elected Department Head)

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COUNTY OF VENTURA
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	TOTAL GENERAL FUND			
	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	$ 115,281	$ 115,281	$ 116,526	$ 1,245
Licenses, permits, and franchises	9,547	9,813	10,210	397
Fines, forfeitures, and penalties	17,192	19,202	16,230	(2,972)
Revenues from use of money and property	5,775	5,943	5,435	(508)
Aid from other governmental units	364,571	380,026	355,335	(24,691)
Charges for services	94,394	95,241	91,260	(3,981)
Other	25,374	27,726	25,626	(2,100)
Amount available for appropriation	632,134	653,232	620,622	(32,610)
Charges to appropriations (outflows):				
General government:				
Salaries and benefits	33,023	26,789	25,495	1,294
Services and supplies	55,167	35,116	22,153	12,963
Other charges	15,175	20,501	17,848	2,653
Contingencies	2,940	1,595	-	1,595
Total general government	106,305	84,001	65,496	18,505
Public protection:				
Salaries and benefits	199,935	204,776	201,110	3,666
Services and supplies	68,448	73,242	69,691	3,551
Other charges	17,592	18,157	18,094	63
Total public protection	285,975	296,175	288,895	7,280
Health and sanitation services:				
Salaries and benefits	53,785	55,583	52,002	3,581
Services and supplies	38,580	40,322	35,143	5,179
Other charges	2,713	3,266	2,798	468
Total health and sanitation services	95,078	99,171	89,943	9,228
Public assistance:				
Salaries and benefits	51,316	52,591	49,391	3,200
Services and supplies	38,218	39,589	33,854	5,735
Other charges	56,109	60,156	59,373	783
Total public assistance	145,643	152,336	142,618	9,718
Education:				
Salaries and benefits	388	393	389	4
Services and supplies	164	203	198	5
Total education	552	596	587	9
Capital outlay - Equipment	8,515	14,011	7,192	6,819
Debt service:				
Interest and fiscal charges	11,880	9,114	9,015	99
Total charges to appropriation	653,948	655,404	603,746	51,658
Excess (deficiency) of revenues over expenditures	(21,814)	(2,172)	16,876	19,048
Other financing sources (uses):				
Transfers in	17,264	31,413	27,264	(4,149)
Transfers out	(24,333)	(39,719)	(38,966)	753
Total other financing sources (uses)	(7,069)	(8,306)	(11,702)	(3,396)
Excess (deficiency) of revenues and other financing sources over expenditures and other financing uses	(28,883)	(10,478)	5,174	15,652
Budgetary balances - beginning, as restated	103,689	103,689	103,689	-
Budgetary balances - ending	$ 74,806	$ 93,211	$ 108,863	$ 15,652

See accompanying independent auditor's report

COUNTY OF VENTURA
BUDGETARY COMPARISON SCHEDULE
ROADS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	ROADS			
	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	$ 1,725	$ 1,725	$ 456	$ (1,269)
Licenses, permits, and franchises	175	175	207	32
Fines, forfeitures, and penalties	220	220	235	15
Revenue from use of money and property	834	834	1,163	329
Aid from other governmental units	29,678	29,678	23,338	(6,340)
Other	755	755	547	(208)
Amount available for appropriation	33,387	33,387	25,946	(7,441)
Charges to appropriations (outflows):				
Public ways and facilities				
Services and supplies	36,945	32,577	14,876	17,701
Other charges	1,422	1,422	786	636
Contingencies	5,389	5,391	-	5,391
Total public ways and facilities	43,756	39,390	15,662	23,728
Capital outlay - Equipment	204	4,572	4,368	204
Total charges to appropriation	43,960	43,962	20,030	23,932
Excess (deficiency) of revenues over expenditures	(10,573)	(10,575)	5,916	16,491
Other financing sources (uses):				
Transfers out	(431)	(431)	(307)	124
Total financing sources (uses)	(431)	(431)	(307)	124
Excess (deficiency) of revenues and other sources over expenditures and other uses	(11,004)	(11,006)	5,609	16,615
Budgetary balances - beginning, as restated	42,617	42,617	42,617	-
Budgetary balances - ending	$ 31,613	$ 31,611	$ 48,226	$ 16,615

See accompanying independent auditor's report

COUNTY OF VENTURA
BUDGETARY COMPARISON SCHEDULE
FLOOD CONTROL DISTRICTS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	FLOOD CONTROL DISTRICTS			
	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	$ 9,807	$ 9,807	$ 10,048	$ 241
Licenses, permits, and franchises	65	65	111	46
Fines, forfeitures, and penalties	67	67	47	(20)
Revenue from use of money and property	2,237	2,237	2,999	762
Aid from other governmental revenues	490	490	6,378	5,888
Charges for services	10,230	10,230	11,610	1,380
Other	800	800	291	(509)
Amount available for appropriation	23,696	23,696	31,484	7,788
Charges to appropriations (outflows):				
Public protection				
Services and supplies	47,391	44,748	12,885	31,863
Other charges	928	928	304	624
Contingencies	7,072	7,073	-	7,073
Total public protection	55,391	52,749	13,189	39,560
Capital outlay - Equipment	154	5,015	4,961	54
Total charges to appropriation	55,545	57,764	18,150	39,614
Excess (deficiency) of revenues over expenditures	(31,849)	(34,068)	13,334	47,402
Other financing sources (uses):				
Transfers in	111	111	-	(111)
Transfers out	(326)	(428)	(295)	133
Total financing sources (uses)	(215)	(317)	(295)	22
Excess (deficiency) of revenues and other sources over expenditures and other uses	(32,064)	(34,385)	13,039	47,424
Budgetary balances - beginning, as restated	62,923	62,923	62,923	-
Budgetary balances - ending	$ 30,859	$ 28,538	$ 75,962	$ 47,424

See accompanying independent auditor's report

COUNTY OF VENTURA
BUDGETARY COMPARISON SCHEDULE
FIRE PROTECTION DISTRICT FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	FIRE PROTECTION DISTRICT			
	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Resources (inflows):				
Taxes	$ 59,902	$ 59,902	$ 60,572	$ 670
Licenses, permits, and franchises	600	600	578	(22)
Fines, forfeitures, and penalties	66	66	31	(35)
Revenue from use of money and property	500	500	573	73
Aid from other governmental revenues	6,476	6,576	8,092	1,516
Charges for services	1,953	2,053	604	(1,449)
Other	3,738	4,288	4,617	329
Amount available for appropriation	73,235	73,985	75,067	1,082
Charges to appropriations (outflows):				
Public protection				
Salaries and benefits	55,727	55,290	53,620	1,670
Services and supplies	10,897	11,383	10,629	754
Other charges	-	62	62	-
Contingencies	-	718	-	718
Total public protection	66,624	67,453	64,311	3,142
Capital outlay - Equipment	16,223	16,802	6,194	10,608
Debt service:				
Interest and fiscal charges	150	150	59	91
Total charges to appropriation	82,997	84,405	70,564	13,841
Excess (deficiency) of revenues over expenditures	(9,762)	(10,420)	4,503	14,923
Other financing sources (uses):				
Transfers in	100	125	125	-
Transfers out	(250)	(497)	(497)	-
Total financing sources (uses)	(150)	(372)	(372)	-
Excess (deficiency) of revenues and other sources over expenditures and other uses	(9,912)	(10,792)	4,131	14,923
Budgetary balances - beginning, as restated	21,337	21,337	21,337	-
Budgetary balances - ending	$ 11,425	$ 10,545	$ 25,468	$ 14,923

See accompanying independent auditor's report

COUNTY OF VENTURA
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
BUDGETARY INFORMATION
FOR THE FISCAL YEAR ENDED JUNE 30, 2002

Budgetary Adoption

The County is legally required to adopt a balanced annual budget for the General Fund, special revenue funds, and the debt service and capital projects funds of the Flood Control District, Pension Obligation Bonds, RDA, and Juvenile Justice Complex. The County adheres to provisions of the California Government Code Sections 29000 through 29144, known as The County Budget Act. Annually, the Board conducts a public hearing for discussion of the proposed budget. At the conclusion of the hearing, and no later than August 30, the Board adopts the final budget including revisions by resolution. A Final Budget book is published.

Budgetary Comparisons

GASB 34 requires a budgetary comparison for the major governmental funds from the funds financial statements. The County has elected to present this information as Required Supplementary Information. Analysis of the General Fund budget is included in Management's Discussion and Analysis.

The comparisons required are between original budget and final budget and between final budget and actual on a budgetary basis. The "original budget" includes the original approved budget (published as the Final Budget) plus appropriations for prior year approved roll-over encumbrances. The "final budget" is the budget as Board approved at the end of the fiscal year. The "actual on a budgetary basis" includes the actual revenues and expenditures as presented in the budget and as adjusted for the Comprehensive Annual Financial Report.

The primary changes are as follows:

For budgetary purposes, inventory items are recognized as expenditures when purchased. Under GAAP, inventories at year-end are recorded as an asset.

For budgetary purposes, changes in the fair value of investments are not recognized as increases or decreases to revenue. Under GAAP such changes are recognized as increases or decreases to revenue.

For budgetary purposes, the County agency fund amounts planned by departments for use during the fiscal year were recognized as revenue. Under GAAP and GASB 33 and 34, all County agency funds must be included within the related County fund as revenue, deferred revenue or liability.

The following schedule is a reconciliation for major funds of the differences between fund balances on the actual on a budgetary basis and GAAP basis fund balances (in thousands):

		SPECIAL REVENUE FUNDS		
	General Fund	Roads	Flood Control District	Fire Protection District
Fund Balances - Actual on a budgetary basis	$ 108,863	$ 48,226	$ 75,962	$ 25,468
Adjustments:				
Change in reserve for inventories	35	-	-	59
Change in fair value of investments	(101)	(3)	(131)	(6)
Addition of trust funds	283	(1,169)	(770)	(2,903)
Total adjustments	217	(1,172)	(901)	(2,850)
Fund balances - GAAP basis	$ 109,080	$ 47,054	$ 75,061	$ 22,618

Supplemental Appropriations

The Board may approve supplemental appropriations during the year if revenues are received from unanticipated sources or from anticipated sources, but in excess of estimates thereof. Transfers of appropriations between budget units/departments must also be approved by the Board.

Supplemental appropriations for those funds for which the County is legally required to adopt an annual budget approximated $33,980,000 for fiscal year ended June 30, 2002. The funds required to be budgeted include General Fund, special revenue funds, and the debt service and capital projects funds of the Flood Control District, Pension Obligation Bonds, RDA, and Juvenile Justice Complex.

Level of Budgetary Control

County expenditures are controlled at the object level (salaries and benefits, services and supplies, other charges, and other financing uses) and sub-object level (capital assets) within budget units/departments for the County. The object level is the level at which expenditures may not legally exceed appropriations. Any transfer of appropriations between object levels within the same budget unit is delegated by the Board to the County Executive Officer.

The County is legally required to adopt an annual budget including over 90 budget units/departments in over 30 funds. Because of this large volume of detail, a separate Departmental Budget Report of Revenues and Expenditures – Budget and Actual on a Budgetary Basis has been prepared at the budget unit/department, function, and object level for those funds for which the County is legally required to adopt an annual budget. After approved year-end and post-closing adjustments, there are no departments exceeding appropriations at the object level. The budgetary document is available to the general public in the Auditor-Controller's Office.

Encumbrances

The County requires use of an encumbrance system as an extension of normal budgetary accounting to assist all funds in controlling expenditures. Under this system, purchase orders, contracts, and other commitments for the expenditures of funds are recorded in order to reserve that portion of applicable appropriations. Encumbrances outstanding at year-end are recorded as reservations of fund balance in the governmental funds. Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward in the ensuing year's budget.

Supplementary Information

Nonmajor Governmental Funds

COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
JUNE 30, 2002
(In Thousands)

	Total Non-Major Governmental Funds	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
ASSETS				
Cash and investments (Note 5)	$ 38,495	$ 11,222	$ 18,897	$ 8,376
Receivables, net (Note 7)	9,546	1,233	60	8,253
Due from other funds (Note 8)	2,024	1,436	511	77
Inventories and other assets	21	21	-	-
Loans receivable	1,134	1,134	-	-
Total assets	$ 51,220	$ 15,046	$ 19,468	$ 16,706
LIABILITIES				
Accounts payable	$ 6,116	$ 1,688	$ -	$ 4,428
Accrued liabilities (Note 10)	327	289	38	-
Due to other funds (Note 8)	7,795	754	26	7,015
Deferred revenue	535	535	-	-
Total liabilities	14,773	3,266	64	11,443
FUND BALANCES				
Reserved	20,792	1,388	19,404	-
Unreserved, designated	3,152	3,152	-	-
Unreserved, reported in:				
Special revenue funds	7,240	7,240	-	-
Capital projects funds	5,263	-	-	5,263
Total fund balances	36,447	11,780	19,404	5,263
Total liabilities and fund balances	$ 51,220	$ 15,046	$ 19,468	$ 16,706

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total Non-Major Governmental Funds	Special Revenue Funds	Debt Service Funds	Capital Projects Funds
Revenues:				
Taxes	$ 6,680	$ 5,941	$ 739	$ -
Licenses, permits, and franchises	625	625	-	-
Fines, forfeitures, and penalties	5	5	-	-
Revenues from use of money and property	1,894	511	757	626
Aid from other governmental units	39,095	15,208	158	23,729
Charges for current services	2,387	2,387	-	-
Other	27,417	2,182	23,596	1,639
Total revenues	78,103	26,859	25,250	25,994
Expenditures:				
Current:				
General government	3,513	-	1,705	1,808
Public protection	5,645	5,645	-	-
Public ways and facilities	104	104	-	-
Public assistance	13,425	13,425	-	-
Education	7,763	7,763	-	-
Capital outlay	37,233	777	-	36,456
Debt service:				
Principal retirement	26,595	-	26,595	-
Interest and fiscal charges	9,446	8	9,438	-
Total expenditures	103,724	27,722	37,738	38,264
Excess (deficiency) of revenues over (under) expenditures	(25,621)	(863)	(12,488)	(12,270)
Other financing sources (uses):				
Proceeds from long-term debt	51,842	-	11,766	40,076
Payment to refunding escrow agent	(11,766)	-	(11,766)	-
Transfers in	39,251	209	31,159	7,883
Transfers out	(38,405)	(496)	(4,176)	(33,733)
Total other financing sources (uses)	40,922	(287)	26,983	14,226
Net change in fund balances	15,301	(1,150)	14,495	1,956
Fund balances - beginning, as restated	21,148	12,932	4,909	3,307
Changes in reserve for inventory	(2)	(2)	-	-
Fund balances - ending	$ 36,447	$ 11,780	$ 19,404	$ 5,263

See accompanying independent auditor's report

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for revenues that are restricted by law or administrative action to expenditures for specified purposes. Non-major special revenue funds used by the County are listed below:

COUNTY LIBRARY FUND

This fund provides library services in fifteen branches throughout the County, except in the City of Oxnard, City of Thousand Oaks, and Santa Paula School District, which provide their own library facilities. Support is derived principally from property taxes and includes donations from citizens groups and cities.

H.U.D. GRANTS FUND

This fund is primarily used to account for federal grants from the Department of Housing and Urban Development for development of low and moderate income housing, rehabilitation and improvements of public facilities, and meeting conditions which pose a serious and immediate threat to health and welfare in the County.

LOAN FUND

This fund is primarily used to account for federal and state funds from the Department of Commerce Economic Development Administration to provide assistance to entities that were impacted by the Northridge earthquake disaster and the downsizing of the defense industry.

FISH AND GAME FUND

This fund was established to receive the County's share of fines levied for violations of fish and game laws within its boundaries. Expenditures are made from time to time for purposes of improving the habitat for wildlife propagation and for incidental administrative matters.

DOMESTIC VIOLENCE PROGRAM FUND

This program is responsible for providing services to victims of domestic violence and their children in accordance with state statute and to explore and determine ways of reducing incidences of domestic violence. The program is funded by a special surcharge levied on the issuance of all marriage licenses.

SOLID WASTE FUND

Solid Waste management is responsible for the development and administration of local and countywide plans and the enforcement of County ordinances relative to solid waste matters. Funding is derived from aid from other government units, licenses, permits and franchises, and charges for services.

COUNTY SERVICE AREAS

County Service Areas account for lighting, street and road maintenance, ambulance service, recreation, and wastewater treatment facilities in specific geographic areas. Support is derived principally from property taxes and service charges in each service area.

(Continued)

SPECIAL REVENUE FUNDS (Continued)

WORKFORCE DEVELOPMENT FUND
This fund provides services to the public and private sectors to perform the planning, operation, administration, and management of job training programs pursuant to the Job Training Partnership Act, the Job Training Reform Amendments of 1992, regulations of the U.S. Department of Labor, Family Economic Security Act, and the directions of the Governor of the State of California.

SPAY/NEUTER PROGRAM
This fund is used to account for the spay/neuter subvention program. The program provides Ventura County animal owners with financial assistance, using a voucher system, for altering cats and dogs. The program is funded by forfeited spay/neuter deposit monies and animal license fees.

INMATE WELFARE FUND
This fund was established pursuant to Section 4025 of the California Penal Code for the benefit, education, and welfare of inmates confined to County jail. It is funded by proceeds from the jail canteen, jail commissary, vocational programs, and telephone commissions.

REDEVELOPMENT AGENCY PIRU PROJECT
This fund was established to provide administrative, fiscal and other support services to the capital project, debt service and low and moderate housing funds of the Redevelopment Agency – Piru Project. Funding is provided by grants, unrestricted interest earnings, and tax increment revenue for the low and moderate income housing set-aside.

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COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002
(In Thousands)

	Total	County Library Fund	H. U. D. Grants Fund	Loan Fund
ASSETS				
Cash and investments (Note 5)	$ 11,222	$ 3,724	$ -	$ 524
Receivables, net (Note 7)	1,233	128	2	2
Due from other funds (Note 8)	1,436	478	-	1
Inventories and other assets	21	-	-	-
Loans receivable	1,134	-	-	1,134
Total assets	$ 15,046	$ 4,330	$ 2	$ 1,661
LIABILITIES				
Accounts payable	$ 1,688	$ 69	$ -	$ 3
Accrued liabilities (Note 10)	289	119	-	-
Due to other funds (Note 8)	754	90	-	15
Deferred revenue	535	487	2	-
Total liabilities	3,266	765	2	18
FUND BALANCES				
Reserved	1,388	72	-	1,134
Unreserved, designated	3,152	303	-	-
Unreserved, reported in:				
Special revenue funds	7,240	3,190	-	509
Total fund balances	11,780	3,565	-	1,643
Total liabilities and fund balances	$ 15,046	$ 4,330	$ 2	$ 1,661

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002
(In Thousands)

Fish and Game Fund	Domestic Violence Program Fund	Solid Waste Fund	County Service Areas	
				ASSETS
$ 125	$ 55	$ 1,723	$ 1,921	Cash and investments (Note 5)
1	-	538	15	Receivables, net (Note 7)
1	2	2	8	Due from other funds (Note 8)
-	-	-	-	Inventories and other assets
-	-	-	-	Loans receivable
$ 127	$ 57	$ 2,263	$ 1,944	Total assets
				LIABILITIES
$ -	$ 11	$ 51	$ 137	Accounts payable
-	-	31	11	Accrued liabilities (Note 10)
3	-	35	19	Due to other funds (Note 8)
-	-	-	46	Deferred revenue
3	11	117	213	Total liabilities
				FUND BALANCES
-	-	102	34	Reserved
32	11	28	893	Unreserved, designated
				Unreserved, reported in:
92	35	2,016	804	Special revenue funds
124	46	2,146	1,731	Total fund balances
$ 127	$ 57	$ 2,263	$ 1,944	Total liabilities and fund balances

(Continued)

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR SPECIAL REVENUE FUNDS
JUNE 30, 2002
(In Thousands)
(Continued)

	Workforce Development Fund	Spay/Neuter Program	Inmate Welfare Fund	Redevelopment Agency Piru Project
ASSETS				
Cash and investments (Note 5)	$ 671	$ 98	$ 2,151	$ 230
Receivables, net (Note 7)	464	-	82	1
Due from other funds (Note 8)	801	-	58	85
Inventories and other assets	-	-	21	-
Loans receivable	-	-	-	-
Total assets	$ 1,936	$ 98	$ 2,312	$ 316
LIABILITIES				
Accounts payable	$ 1,326	$ -	$ 90	$ 1
Accrued liabilities (Note 10)	114	-	14	-
Due to other funds (Note 8)	504	-	86	2
Deferred revenue	-	-	-	-
Total liabilities	1,944	-	190	3
FUND BALANCES				
Reserved	1	-	39	6
Unreserved, designated	-	50	1,666	169
Unreserved, reported in:				
Special revenue funds	(9)	48	417	138
Total fund balances	(8)	98	2,122	313
Total liabilities and fund balances	$ 1,936	$ 98	$ 2,312	$ 316

See accompanying independent auditor's report

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COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	County Library Fund	H. U. D. Grants Fund	Loan Fund
Revenues:				
Taxes	$ 5,941	$ 5,330	$ -	$ -
Licenses, permits, and franchises	625	-	-	-
Fines, forfeitures, and penalties	5	2	-	-
Revenues from use of money and property	511	126	-	155
Aid from other governmental units	15,208	1,552	3,141	-
Charges for current services	2,387	274	-	-
Other	2,182	290	-	4
Total revenues	26,859	7,574	3,141	159
Expenditures:				
Current:				
Public protection	5,645	-	-	-
Public ways and facilities	104	-	-	-
Public assistance	13,425	-	3,141	283
Education	7,763	7,763	-	-
Capital outlay	777	730	-	-
Debt service:				
Interest and fiscal charges	8	8	-	-
Total expenditures	27,722	8,501	3,141	283
Excess (deficiency) of revenues over (under) expenditures	(863)	(927)	-	(124)
Other financing sources (uses):				
Transfers in	209	89	-	-
Transfers out	(496)	(214)	-	-
Total other financing sources (uses)	(287)	(125)	-	-
Net change in fund balances	(1,150)	(1,052)	-	(124)
Fund balances - beginning, as restated	12,932	4,617	-	1,767
Changes in reserve for inventory	(2)	-	-	-
Fund balances - ending	$ 11,780	$ 3,565	$ -	$ 1,643

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

Fish and Game Fund	Domestic Volence Program Fund	Solid Waste Fund	County Service Areas	
				Revenues:
$ -	$ -	$ -	$ 611	Taxes
-	-	577	-	Licenses, permits, and franchises
-	-	-	3	Fines, forfeitures, and penalties
5	2	26	62	Revenues from use of money and property
-	-	419	194	Aid from other governmental units
119	-	1,279	715	Charges for current services
-	123	39	(144)	Other
124	125	2,340	1,441	Total revenues
				Expenditures:
				Current:
127	-	2,444	1,286	Public protection
-	-	-	-	Public ways and facilities
-	130	-	-	Public assistance
-	-	-	-	Education
-	-	4	-	Capital outlay
				Debt service:
-	-	-	-	Interest and fiscal charges
127	130	2,448	1,286	Total expenditures
(3)	(5)	(108)	155	Excess (deficiency) of revenues over (under) expenditures
				Other financing sources (uses):
-	-	-	-	Transfers in
-	-	-	-	Transfers out
-	-	-	-	Total other financing sources (uses)
(3)	(5)	(108)	155	**Net change in fund balances**
127	51	2,254	1,576	Fund balances - beginning, as restated
-	-	-	-	Changes in reserve for inventory
$ 124	$ 46	$ 2,146	$ 1,731	Fund balances - ending

(Continued)

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)
(Continued)

	Workforce Development Fund	Spay/Neuter Program	Inmate Welfare Fund	Redevelopment Agency Piru Project
Revenues:				
Taxes	$ -	$ -	$ -	$ -
Licenses, permits, and franchises	-	48	-	-
Fines, forfeitures, and penalties	-	-	-	-
Revenues from use of money and property	21	3	98	13
Aid from other governmental units	9,868	-	-	34
Charges for current services	-	-	-	-
Other	-	-	1,870	-
Total revenues	9,889	51	1,968	47
Expenditures:				
Current:				
Public protection	-	17	1,771	-
Public ways and facilities	-	-	-	104
Public assistance	9,871	-	-	-
Education	-	-	-	-
Capital outlay	27	-	16	-
Debt service:				
Interest and fiscal charges	-	-	-	-
Total expenditures	9,898	17	1,787	104
Excess (deficiency) of revenues over (under) expenditures	(9)	34	181	(57)
Other financing sources (uses):				
Transfers in	-	-	-	120
Transfers out	-	-	(282)	-
Total other financing sources (uses)	-	-	(282)	120
Net change in fund balances	(9)	34	(101)	63
Fund balances - beginning, as restated	1	64	2,225	250
Changes in reserve for inventory	-	-	(2)	-
Fund balances - ending	$ (8)	$ 98	$ 2,122	$ 313

See accompanying independent auditor's report

DEBT SERVICE FUNDS

PUBLIC FACILITIES CORPORATION

This fund is used to accumulate resources for the payment of principal and interest on the Certificates of Participation issues related to the purchase of equipment and the construction of County capital project improvements. This fund receives transfers primarily from the General Fund based on lease-purchase agreements.

PUBLIC FINANCING AUTHORITY

This fund provided moneys which were used to pay, refund and retire Public Facilities Corporation lease revenue bonds under PFC I and Certificates of Participation under PFC III. This fund is also being used to finance a portion of various other capital projects and pay costs incurred in connection with the issuance, sale and delivery of the Tax Exempt Commercial Paper Notes and the new 2001 Certificates of Participation which advance refunded PFC IV. This fund is also used to accumulate resources for the payment of principal and interest on the issues. This fund receives transfers primarily from the General Fund based on lease-purchase agreements.

SIMI LIBRARY AUTHORITY

This fund accounts for the library financing activities of the Simi Valley Civic Center Authority. This fund is used to accumulate resources for the payment of principal and interest on the lease revenue bond issues related to the construction of the Simi Valley Library. This fund receives transfers from the County Library Special Revenue Fund based on lease-purchase agreements.

REDEVELOPMENT AGENCY PIRU PROJECT

This fund is used to accumulate resources for the payment of principal related to the activities of the Redevelopment Agency Piru Project. The plan's purpose is to respond to damage caused by the 1994 Northridge earthquake to Piru's town center and public infrastructure through a project of community reinvestment. Funding is derived solely from property taxes calculated in adherence with Health and Safety Code Section 33670.

FLOOD CONTROL DISTRICT

This fund is used to accumulate resources for the payment of principal and interest on the general obligation bonds issued by the Ventura County Flood Control District. Revenues are received primarily through ad valorem taxes on property.

PENSION OBLIGATION BONDS

The bonds were issued to provide funds to allow the County to fund its unfunded actuarial liability with respect to VCERA retirement benefits for County employees.

COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
JUNE 30, 2002
(In Thousands)

	Total	Public Facilities Corporation	Public Financing Authority
ASSETS			
Cash and investments (Note 5)	$ 18,897	$ 84	$ 15,821
Receivables, net (Note 7)	60	33	10
Due from other funds (Note 8)	511	-	26
Total assets	$ 19,468	$ 117	$ 15,857
LIABILITIES			
Accrued liabilities (Note 10)	$ 38	$ -	$ 26
Due to other funds (Note 8)	26	-	-
Total liabilities	64	-	26
FUND BALANCES			
Reserved	19,404	117	15,831
Total liabilities and fund balances	$ 19,468	$ 117	$ 15,857

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR DEBT SERVICE FUNDS
JUNE 30, 2002
(In Thousands)

Simi Library Authority	Redevelopment Agency Piru Project	Flood Control District	Pension Obligation Bonds	
				ASSETS
$ 230	$ 347	$ 231	$ 2,184	Cash and investments (Note 5)
-	3	2	12	Receivables, net (Note 7)
-	-	-	485	Due from other funds (Note 8)
$ 230	$ 350	$ 233	$ 2,681	Total assets
				LIABILITIES
$ 3	$ -	$ 9	$ -	Accrued liabilities (Note 10)
-	26	-	-	Due to other funds (Note 8)
3	26	9	-	Total liabilities
				FUND BALANCES
227	324	224	2,681	Reserved
$ 230	$ 350	$ 233	$ 2,681	Total liabilities and fund balances

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Public Facilities Corporation	Public Financing Authority
Revenues:			
Taxes	$ 739	$ -	$ -
Revenues from use of money and property	757	139	489
Aid from other governmental units	158	-	104
Other	23,596	1,412	-
Total revenues	25,250	1,551	593
Expenditures:			
Current:			
General government	1,705	1,664	-
Debt service:			
Principal retirement	26,595	175	13,620
Interest and fiscal charges	9,438	118	2,176
Total expenditures	37,738	1,957	15,796
Excess (deficiency) of revenues over (under) expenditures	(12,488)	(406)	(15,203)
Other financing sources (uses):			
Proceeds from long-term debt	11,766	-	11,766
Payment to refunded bond escrow agent	(11,766)	-	(11,766)
Transfers in	31,159	649	30,296
Transfers out	(4,176)	(2,100)	-
Total other financing sources (uses)	26,983	(1,451)	30,296
Net change in fund balances	14,495	(1,857)	15,093
Fund balances - beginning, as restated	4,909	1,974	738
Fund balances - ending	$ 19,404	$ 117	$ 15,831

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

Simi Library Authority	Redevelopment Agency Piru Project	Flood Control District	Pension Obligation Bonds	
				Revenues:
$ -	$ 219	$ 520	$ -	Taxes
2	12	12	103	Revenues from use of money and property
-	14	40	-	Aid from other governmental units
-	-	-	22,184	Other
2	245	572	22,287	Total revenues
				Expenditures:
				Current:
3	38	-	-	General government
				Debt service:
200	-	485	12,115	Principal retirement
14	-	47	7,083	Interest and fiscal charges
217	38	532	19,198	Total expenditures
(215)	207	40	3,089	Excess (deficiency) of revenues over (under) expenditures
				Other financing sources (uses):
-	-	-	-	Proceeds from long-term debt
-	-	-	-	Payment to refunded bond escrow agent
214	-	-	-	Transfers in
(89)	(120)	-	(1,867)	Transfers out
125	(120)	-	(1,867)	Total other financing sources (uses)
(90)	87	40	1,222	**Net change in fund balances**
317	237	184	1,459	Fund balances - beginning, as restated
$ 227	$ 324	$ 224	$ 2,681	Fund balances - ending

See accompanying independent auditor's report

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CAPITAL PROJECTS FUNDS

PUBLIC FACILITIES CORPORATION

This fund is used to account for the costs of constructing and acquiring various buildings, facilities, and equipment for the County of Ventura. The cost of these projects is financed by the issuance of Certificates of Participation in 1993 and 1998 through the Public Facilities Corporation. The 1993 Certificates of Participation were advance refunded by the issuance of additional Certificates of Participation under authority of the Public Financing Authority in 2001.

PUBLIC FINANCING AUTHORITY

This fund is used to account for the costs of construction and acquiring various buildings, facilities, and equipment for the County of Ventura and the refunding of Public Facilities Corporation Lease Revenue Bonds issued in 1976 and Certificates of Participation issued in 1987. The cost of various projects is financed by the periodic issuance of Tax Exempt Commercial Paper Notes, which were first issued in 1998 through the Public Financing Authority.

Additional Certificates of Participation were issued in 2001 to advance refund Public Facilities Certificates of Participation issued in 1993, refund equipment lease and acquire equipment and buildings for Ventura County Medical Center, Juvenile Justice Facility and General Services Agency.

REDEVELOPMENT AGENCY PIRU PROJECT

This fund is used to account for the financial resources used and costs incurred for the acquisition or construction of major capital facilities as outlined in the Agency's Piru Community Enhancement Plan. The costs of these projects are financed by borrowing, federal grants and unrestricted funds of the Agency.

JUVENILE JUSTICE COMPLEX CONSTRUCTION

This fund is used to account for the initial costs of acquiring land and constructing various buildings, facilities and equipment for a new juvenile detention and commitment complex. The State Board of Corrections approved a $40.5 million grant for buildings requiring a $24.9 million match provided by the County for remaining costs. Current fiscal year costs and repayment of advances from Tax Exempt Commercial Paper were funded through issuance of 2001 Certificates of Participation under authority of the Public Financing Authority.

COUNTY OF VENTURA
COMBINING BALANCE SHEET
NON-MAJOR CAPITAL PROJECTS FUNDS
JUNE 30, 2002
(In Thousands)

	Total	Public Facilities Corporation	Public Financing Authority	Redevelopment Agency Piru Project	Juvenile Justice Complex Construction
ASSETS					
Cash and investments (Note 5)	$ 8,376	$ 1,025	$ 7,037	$ 10	$ 304
Receivables, net (Note 7)	8,253	-	35	201	8,017
Due from other funds (Note 8)	77	-	-	-	77
Total assets	$ 16,706	$ 1,025	$ 7,072	$ 211	$ 8,398
LIABILITIES					
Accounts payable	$ 4,428	$ 20	$ 2,442	$ 461	$ 1,505
Due to other funds (Note 8)	7,015	-	54	70	6,891
Total liabilities	11,443	20	2,496	531	8,396
FUND BALANCES					
Unreserved, undesignated	5,263	1,005	4,576	(320)	2
Total liabilities and fund balances	$ 16,706	$ 1,025	$ 7,072	$ 211	$ 8,398

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR CAPITAL PROJECTS FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Public Facilities Corporation	Public Financing Authority	Redevelopment Agency Piru Project	Juvenile Justice Complex Construction
Revenues:					
Revenues from use of money and property	$ 626	$ 27	$ 596	$ 1	$ 2
Aid from other governmental units	23,729	-	-	337	23,392
Other	1,639	-	1,639	-	-
Total revenues	25,994	27	2,235	338	23,394
Expenditures:					
Current:					
General government	1,808	1,202	604	2	-
Capital outlay	36,456	150	8,580	660	27,066
Total expenditures	38,264	1,352	9,184	662	27,066
Deficiency of revenues over expenditures	(12,270)	(1,325)	(6,949)	(324)	(3,672)
Other financing sources (uses):					
Proceeds from long-term debt	40,076	-	40,076	-	-
Transfers in	7,883	155	4,054	-	3,674
Transfers out	(33,733)	(1,235)	(32,498)	-	-
Total other financing sources (uses)	14,226	(1,080)	11,632	-	3,674
Net change in fund balances	1,956	(2,405)	4,683	(324)	2
Fund balances - beginning	3,307	3,410	(107)	4	-
Fund balances - ending	$ 5,263	$ 1,005	$ 4,576	$ (320)	$ 2

See accompanying independent auditor's report

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Nonmajor Enterprise Funds

NON-MAJOR ENTERPRISE FUNDS

PARKS DEPARTMENT

This fund operates the County's parks and golf courses. It provides administrative, fiscal, and other support services to these operations. Revenues are derived primarily from rentals of facilities to operators and concessionaires and from fees charged to public users of the facilities. The fund also accounts for federal and state aid and County contributions in support of parks and recreational activities.

CHANNEL ISLANDS HARBOR EXPANSION FUND

This fund accounts for the expansion area of the Channel Islands Marina financed by loans from the State of California and coordinates growth of this facility. The commercial fishing enterprise activities funded by a federal loan is accounted for in this fund. The fund's revenues are derived from tenants in the expansion area. It is operated by the Harbor Enterprise Fund in conjunction with that fund's management of the remainder of the Marina facility.

CHANNEL ISLANDS HARBOR

This fund operates the Channel Islands Marina. It provides administrative, fiscal, and other support to this operation, as well as to the Channel Islands Harbor Expansion Fund. Revenues are derived primarily from rentals of facilities to operators and concessionaires and from fees charged to the public users of the facility.

HEALTH CARE PLAN

The Ventura County Health Care Plan is a self-insured group medical plan operated by the County Health Care Agency. Revenues are derived primarily from charges to participating employer groups for medical insurance.

COUNTY OF VENTURA
COMBINING STATEMENT OF FUND NET ASSETS
NON-MAJOR ENTERPRISE FUNDS
JUNE 30, 2002
(In Thousands)

	Total	Parks Department	Channel Islands Harbor Expansion	Channel Islands Harbor	Health Care Plan
ASSETS					
Current assets:					
Cash and investments (Note 5)	$ 8,190	$ 2,038	$ 4,687	$ 878	$ 587
Receivables, net (Note 7)	2,370	415	190	581	1,184
Due from other funds (Note 8)	678	167	55	40	416
Inventories and other assets	22	-	-	22	-
Restricted cash and investments	1,676	-	120	56	1,500
Total current assets	12,936	2,620	5,052	1,577	3,687
Noncurrent assets:					
Capital assets (Note 9):					
Nondepreciable:					
Land	8,480	6,326	-	2,154	-
Construction in progress	429	251	-	178	-
Depreciable:					
Land improvements	4,468	3,403	-	1,065	-
Structures and improvements	17,209	7,815	8,143	1,251	-
Equipment/ Vehicles	1,624	398	31	1,195	-
Less accumulated depreciation	(12,042)	(5,783)	(4,951)	(1,308)	-
Total noncurrent assets	20,168	12,410	3,223	4,535	-
Total assets	$ 33,104	$ 15,030	$ 8,275	$ 6,112	$ 3,687
LIABILITIES					
Current liabilities:					
Accounts payable	$ 552	$ 54	$ 104	$ 223	$ 171
Short term compensated absences	123	42	-	81	-
Accrued liabilities	126	68	-	58	-
Due to other funds (Note 8)	238	70	36	95	37
Current portion of long-term liabilities (Note 11)	364	12	322	30	-
Total current liabilities	1,403	246	462	487	208
Noncurrent liabilities:					
Deferred revenue	1,000	758	34	77	131
Accrued insurance losses (Note 15)	2,202	-	-	-	2,202
Other liabilities	231	-	-	231	-
Long-term compensated absences (Note 11)	118	51	-	67	-
Noncurrent portion of long-term liabilities (Note 11)	2,957	117	2,420	420	-
Total noncurrent liabilities	6,508	926	2,454	795	2,333
Total liabilities	7,911	1,172	2,916	1,282	2,541
NET ASSETS					
Invested in capital assets, net of related debt	17,022	12,281	600	4,141	-
Restricted	4,047	2,371	120	56	1,500
Unrestricted	4,124	(794)	4,639	633	(354)
Total net assets	25,193	13,858	5,359	4,830	1,146
Total liabilities and net assets	$ 33,104	$ 15,030	$ 8,275	$ 6,112	$ 3,687

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
NON-MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Parks Department	Channel Islands Harbor Expansion	Channel Islands Harbor	Health Care Plan
Operating Revenues:					
Charges for services	$ 15,465	$ 150	$ 59	$ 2,212	$ 13,044
Rents and royalties	5,116	1,671	1,412	2,033	-
Total operating revenues	20,581	1,821	1,471	4,245	13,044
Operating Expenses:					
Salaries and benefits	2,804	903	-	1,901	-
Services and supplies	5,156	710	678	2,309	1,459
Insurance premiums	572	31	-	191	350
Utilities	248	143	5	100	-
Provision for insurance losses	11,787	-	-	-	11,787
Depreciation	823	460	219	144	-
Total operating expenses	21,390	2,247	902	4,645	13,596
Operating income (loss)	(809)	(426)	569	(400)	(552)
Nonoperating revenues (expenses):					
State and federal grants	702	587	-	115	-
Capital contributions	59	59	-	-	-
Loss from disposal of capital assets	(246)	(246)		-	-
Interest and investment income	349	27	180	24	118
Interest expense	(165)	(6)	(126)	(20)	(13)
Total nonoperating revenues (expenses)	699	421	54	119	105
Income (loss) before transfers	(110)	(5)	623	(281)	(447)
Transfers in	1,125	315	-	810	-
Transfers out	(446)	-	(446)	-	-
Increase (decrease) in net assets	569	310	177	529	(447)
Net assets - beginning, as restated	24,624	13,548	5,182	4,301	1,593
Net assets - ending	$ 25,193	$ 13,858	$ 5,359	$ 4,830	$ 1,146

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Parks Department	Channel Islands Harbor Expansion	Channel Islands Harbor	Health Care Plan
CASH FLOWS FROM OPERATING ACTIVITIES					
Cash receipts from customers	$ 7,562	$ 1,360	$ 1,336	$ 2,038	$ 2,828
Cash receipts from other funds	11,836	-	126	2,498	9,212
Cash receipts from other sources	-	-	-	-	-
Cash paid to suppliers for goods and services	(10,572)	(206)	(71)	(1,863)	(8,432)
Cash paid to employees for services	(2,785)	(898)	-	(1,887)	-
Cash paid to other funds	(7,561)	(699)	(1,025)	(634)	(5,203)
Cash paid for insurance premiums	-	-	-	-	-
Cash paid for judgments and claims	329	-	-	-	329
Net cash provided by (used in) operating activities	(1,191)	(443)	366	152	(1,266)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES					
Transfers received	1,125	315	-	810	-
Transfers paid	(446)	-	(446)	-	-
Interest paid on non capital debt	(13)	-	-	-	(13)
Property taxes	-	-	-	-	-
State and federal grant receipts	115	-	-	115	-
Net cash provided by (used in) noncapital financing activities	781	315	(446)	925	(13)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Transfer of restricted assets	-	-	56	(56)	-
Transfer of capital debt	-	-	(480)	480	-
Proceeds from capital grants	587	587	-	-	-
Proceeds from capital contributions	59	59	-	-	-
Acquisition and construction of fixed assets	(1,495)	(252)	-	(1,243)	-
Principal paid on capital lease obligations	(12)	(12)	-	-	-
Principal paid on capital debt	(383)	-	(383)	-	-
Interest paid on capital debt	(152)	(6)	(146)	-	-
Proceeds from sales of fixed assets	374	-	374	-	-
Net cash provided by (used in) capital and related financing activities	(1,022)	376	(579)	(819)	-
CASH FLOWS FROM INVESTING ACTIVITIES					
Interest and investment income received	407	38	208	29	132
Net cash provided by investing activities	407	38	208	29	132
Net increase (decrease) in cash and cash equivalents	(1,025)	286	(451)	287	(1,147)
Total cash and cash equivalents, beginning of the year, as restated	9,215	1,752	5,138	591	1,734
Total cash and cash equivalents, end of the year	$ 8,190	$ 2,038	$ 4,687	$ 878	$ 587

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
NON-MAJOR ENTERPRISE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Parks Department	Channel Islands Harbor Expansion	Channel Islands Harbor	Health Care Plan
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating income (loss)	$ (809)	$ (426)	$ 569	$ (400)	$ (552)
Adjustments to reconcile operating income (loss) to cash flows from operation activities:					
Depreciation	823	460	219	144	-
Decrease (increase) in:					
Accounts receivable	(999)	(333)	(81)	(87)	(498)
Due from other funds	(135)	(165)	70	346	(386)
Intergovernmental receivables	-	-	-	-	-
Deposits	32	-	-	32	-
Inventories and other assets	-	-	22	(22)	-
Increase (decrease) in:					
Accounts payable	202	28	(83)	188	69
Other liabilities	-	-	-	-	-
Accrued liabilities	2	(6)	2	6	-
Due to other funds	(562)	(38)	(354)	(64)	(106)
Deferred revenue	(85)	35	2	-	(122)
Accrued insurance loss expense	329	-	-	-	329
Medical malpractice liability	-	-	-	-	-
Compensated absences	11	2	-	9	-
Net cash provided by (used in) operating activities	$ (1,191)	$ (443)	$ 366	$ 152	$ (1,266)

See accompanying independent auditor's report

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Internal Service Funds

INTERNAL SERVICE FUNDS

PUBLIC WORKS SERVICES FUND

This fund coordinates the County's property management activities and provides administrative, engineering, construction, and maintenance services to various County departments as well as other governmental units.

HEAVY EQUIPMENT FUND

This fund maintains the County's fleet of machinery and construction equipment and rents such equipment to County departments and other governmental units.

TRANSPORTATION FUND

This fund provides for the acquisition, maintenance, and replacement of County automobiles and light trucks, which it rents to various County departments and non-County entities.

GENERAL INSURANCE FUND

This fund administers certain commercial and County self-insurance programs, principally worker's compensation, medical malpractice and general insurance. It also administers the hazardous materials program for County departments. The fund, operated by the General Services Agency, provides claims adjusting and administration, collects premiums from other County funds and departments, establishes reserves for insurance losses and loss expenses and acts as the County's risk manager and insurance agent. Services also include waste handling and disposal, waste audits, hazardous materials and waste record keeping and preparation of reports to meet state and federal requirements.

INFORMATION SYSTEMS FUND

This fund is responsible for the design, implementation and maintenance of the telecommunication network as well as the computer-assisted systems which support the information processing requirements of the County departments and certain non-County entities.

GENERAL SERVICES FUND

This fund's services include graphics, mailroom, stores, purchasing, security, maintenance, custodial, and landscaping provided to all County departments and certain non-County entities. The fund also administers the utilities program and the job order contract program, which contracts with non-County vendors to provide maintenance projects for County departments and certain non-County entities.

(Continued)

INTERNAL SERVICE FUNDS
(Continued)

EMPLOYEE BENEFITS INSURANCE FUND

This fund administers the County's commercial employees' group medical plan and self-insured, disability, and unemployment insurance programs. The fund, operated by the Human Resources Department, collects premiums from County agencies, departments and employees, and makes benefit payments through outside settlement agents.

PERSONNEL SERVICES FUND

This fund administers the training services offered to County and non-County entities. Services include assessment of the requesting entity's needs as well as the development and delivery of comprehensive programs. This fund, operated by the Human Resources Department, provides these services at cost to both County departments and outside entities.

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COUNTY OF VENTURA
COMBINING STATEMENT OF FUND NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2002
(In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
ASSETS				
Current assets:				
Cash and investments (Note 5)	$ 46,072	$ 2,319	$ 2,892	$ 1,457
Receivables, net (Note 7)	1,981	84	20	694
Due from other funds (Note 8)	9,776	3,722	825	697
Due from component unit (Note 8)	1	-	-	-
Inventories and other assets	1,759	-	-	323
Restricted assets	632	-	-	-
Total current assets	60,221	6,125	3,737	3,171
Noncurrent assets:				
Capital assets (Note 9):				
Depreciable:				
Land improvements	64	-	-	-
Structures and improvements	4,795	552	26	318
Equipment/ Vehicles	80,290	735	11,041	32,575
Less accumulated depreciation	(47,006)	(691)	(6,096)	(15,672)
Total noncurrent assets	38,143	596	4,971	17,221
Total assets	$ 98,364	$ 6,721	$ 8,708	$ 20,392
LIABILITIES				
Current liabilities:				
Accounts payable	$ 4,729	$ 126	$ -	$ 53
Short term compensated absences (Note 12)	2,120	966	34	91
Accrued liabilities (Note 10)	1,402	691	15	43
Due to other funds (Note 8)	2,244	1,109	96	130
Current portion of long-term liabilities (Note 12)	1,490	-	-	550
Total current liabilities	11,985	2,892	145	867
Noncurrent liabilities:				
Deferred revenue	789	785	-	-
Accrued insurance losses (Note 16)	17,753	-	-	-
Other liabilities	139	-	-	-
Long term compensated absences (Note 12)	2,463	1,135	31	79
Noncurrent portion of long-term liabilities (Note 12)	7,543	-	-	215
Total noncurrent liabilities	28,687	1,920	31	294
Total liabilities	40,672	4,812	176	1,161
NET ASSETS				
Invested in capital assets, net of related debt	30,506	595	4,971	17,221
Restricted	632	-	-	-
Unrestricted	26,554	1,314	3,561	2,010
Total net assets	57,692	1,909	8,532	19,231
Total liabilities and net assets	$ 98,364	$ 6,721	$ 8,708	$ 20,392

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF FUND NET ASSETS
INTERNAL SERVICE FUNDS
JUNE 30, 2002
(In Thousands)

General Insurance	Information Systems	General Services	Employee Benefit Insurance	Personnel Services	
					ASSETS
					Current assets:
$ 24,525	$ 9,189	$ 2,289	$ 3,238	$ 163	Cash and investments (Note 5)
132	719	87	201	44	Receivables, net (Note 7)
658	1,505	2,323	20	26	Due from other funds (Note 8)
-	-	1	-	-	Due from component unit (Note 8)
460	627	349	-	-	Inventories and other assets
-	-	632	-	-	Restricted cash and investments
25,775	12,040	5,681	3,459	233	Total current assets
					Noncurrent assets:
					Capital assets (Note 9):
					Depreciable:
-	64	-	-	-	Land improvements
-	1,538	2,361	-	-	Structures and improvements
141	31,359	4,428	11	-	Equipment/ Vehicles
(103)	(23,348)	(1,085)	(11)	-	Less accumulated depreciation
38	9,613	5,704	-	-	Total noncurrent assets
$ 25,813	$ 21,653	$ 11,385	$ 3,459	$ 233	Total assets
					LIABILITIES
					Current liabilities:
$ 2,093	$ 688	$ 1,743	$ 22	$ 4	Accounts payable
97	472	389	58	13	Short term compensated absences (Note 12)
157	271	192	26	7	Accrued liabilities (Note 10)
213	71	619	4	2	Due to other funds (Note 8)
					Current portion of long-term
-	740	200	-	-	liabilities (Note 12)
2,560	2,242	3,143	110	26	Total current liabilities
					Noncurrent liabilities:
-	-	4	-	-	Deferred revenue
17,681	-	-	72	-	Accrued insurance losses (Note 16)
-	-	139	-	-	Other liabilities
98	631	401	58	30	Long term compensated absences (Note 12)
					Noncurrent portion of long-term
-	3,163	4,165	-	-	liabilities (Note 12)
17,779	3,794	4,709	130	30	Total noncurrent liabilities
20,339	6,036	7,852	240	56	Total liabilities
					NET ASSETS
38	5,710	1,971	-	-	Invested in capital assets, net of related debt
-	-	632	-	-	Restricted
5,436	9,907	930	3,219	177	Unrestricted
5,474	15,617	3,533	3,219	177	Total net assets
$ 25,813	$ 21,653	$ 11,385	$ 3,459	$ 233	Total liabilities and net assets

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
Operating Revenues:				
Charges for services	$ 136,801	$ 26,682	$ 1,917	$ 9,515
Miscellaneous	525	-	-	525
Total operating revenues	137,326	26,682	1,917	10,040
Operating Expenses:				
Salaries and benefits	49,161	22,456	617	1,952
Services and supplies	53,961	4,687	1,388	3,971
Insurance premiums	21,697	93	4	59
Provision for insurance losses	5,261	-	-	-
Depreciation	6,956	75	440	3,173
Total operating expenses	137,036	27,311	2,449	9,155
Operating income (loss)	290	(629)	(532)	885
Nonoperating revenues (expenses):				
State and federal grants	1	-	-	-
Gain (loss) from disposal of capital assets	(465)	(36)	(88)	(120)
Interest and investment income	1,606	97	130	68
Interest expense	(425)	-	-	-
Total nonoperating revenues (expenses)	717	61	42	(52)
Income (loss) before transfers	1,007	(568)	(490)	833
Transfers in	2,829	51	602	1,474
Transfers out	(148)	(22)	-	-
Increase (decrease) in net assets	3,688	(539)	112	2,307
Net assets - beginning, as restated	54,004	2,448	8,420	16,924
Net assets - ending	$ 57,692	$ 1,909	$ 8,532	$ 19,231

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

General Insurance	Information Systems	General Services	Employee Benefits Insurance	Personnel Services	
					Operating Revenues:
$ 28,107	$ 31,031	$ 36,380	$ 2,688	$ 481	Charges for services
-	-	-	-	-	Miscellaneous
28,107	31,031	36,380	2,688	481	Total operating revenues
					Operating Expenses:
2,033	11,858	8,713	1,165	367	Salaries and benefits
2,300	14,887	26,184	405	139	Services and supplies
19,536	68	106	1,829	2	Insurance premiums
5,232	-	-	29	-	Provision for insurance losses
10	3,082	176	-	-	Depreciation
29,111	29,895	35,179	3,428	508	Total operating expenses
(1,004)	1,136	1,201	(740)	(27)	Operating income (loss)
					Nonoperating revenues (expenses):
1	-	-	-	-	State and federal grants
-	(221)	-	-	-	Gain (loss) from disposal of capital assets
717	299	160	125	10	Interest and investment income
(203)	(98)	(124)	-	-	Interest expense
515	(20)	36	125	10	Total nonoperating revenues (expenses)
(489)	1,116	1,237	(615)	(17)	Income (loss) before transfers
-	3	573	-	126	Transfers in
-	-	-	(126)	-	Transfers out
(489)	1,119	1,810	(741)	109	Increase (decrease) in net assets
5,963	14,498	1,723	3,960	68	Net assets - beginning, as restated
$ 5,474	$ 15,617	$ 3,533	$ 3,219	$ 177	Net assets - ending

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Total	Public Works Services	Heavy Equipment	Transportation
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash receipts from customers	$ 12,931	$ (39)	$ 26	$ 163
Cash receipts from other funds	123,286	26,703	1,703	9,439
Cash receipts from other sources	674	-	-	674
Cash paid to suppliers for goods and services	(43,667)	(1,566)	(362)	(3,387)
Cash paid to employees for services	(49,450)	(22,275)	(612)	(1,926)
Cash paid to other funds	(12,216)	(2,562)	(1,070)	(929)
Cash paid for insurance premiums	(17,698)	-	-	-
Cash paid for judgments and claims	(3,720)	-	-	-
Net cash provided by (used in) operating activities	10,140	261	(315)	4,034
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers received	2,826	51	602	1,474
Transfers paid	(148)	(22)	-	-
Intrest paid on non capital debt	(208)	-	-	-
State and federal grant receipts	1	-	-	-
Net cash provided by (used in) noncapital financing activites	2,471	29	602	1,474
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Proceeds from capital debt	17	-	-	-
Acquisition and construction of fixed assets	(10,465)	(46)	(1,718)	(6,155)
Principal paid on capital debt	(743)	-	-	-
Interest paid on capital debt	(214)	-	-	-
Proceeds from sales of fixed assets	603	2	126	475
Net cash used in capital and related financing activities	(10,802)	(44)	(1,592)	(5,680)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest and investment income received	1,846	105	162	80
Net cash provided by investing activites	1,846	105	162	80
Net increase (decrease) in cash and cash equivalents	3,655	351	(1,143)	(92)
Total cash and cash equivalents, beginning of the year, as restated	42,417	1,968	4,035	1,549
Total cash and cash equivalents, end of the year	$ 46,072	$ 2,319	$ 2,892	$ 1,457
CASH FLOWS FROM OPERATING ACTIVITIES				
Operating income (loss)	$ 290	$ (629)	$ (532)	$ 885
Adjustments to reconcile operating income (loss) to cash flows from operation activities:				
Depreciation	6,956	75	440	3,173
Decrease (increase) in:				
Accounts receivable	(594)	15	5	5
Due from other funds	(261)	88	(193)	82
Intergovernmental receivables	149	-	-	149
Inventories and other assets	(17)	-	-	(48)
Increase (decrease) in:				
Accounts payable	2,208	39	(21)	(132)
Other liabilities	(95)	-	-	(95)
Accrued liabilities	75	63	2	(61)
Due to other funds	640	599	(19)	60
Deferred revenue	(142)	(118)	-	-
Accrued insurance loss expense	389	-	-	-
Medical malpractice liability	335	-	-	-
Compensated absences	207	129	3	16
Net cash provided by (used in) operating activities	$ 10,140	$ 261	$ (315)	$ 4,034

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

General Insurance	Information Systems	General Services	Employee Benefits Insurance	Personnel Services	
					CASH FLOWS FROM OPERATING ACTIVITIES
$ 878	$ 3,103	$ 6,172	$ 2,460	$ 168	Cash receipts from customers
27,010	27,641	30,310	186	294	Cash receipts from other funds
-	-	-	-	-	Cash receipts from other sources
(1,973)	(11,743)	(23,415)	(1,139)	(82)	Cash paid to suppliers for goods and services
(2,079)	(12,434)	(8,633)	(1,129)	(362)	Cash paid to employees for services
(1,243)	(1,856)	(3,379)	(1,118)	(59)	Cash paid to other funds
(17,698)	-	-	-	-	Cash paid for insurance premuims
(3,696)	-	-	(24)	-	Cash paid for judgments and claims
1,199	4,711	1,055	(764)	(41)	Net cash provided by (used in) operating activities
					CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES
-	-	573	-	126	Transfers received
-	-	-	(126)	-	Transfers paid
(203)	-	(5)	-	-	Interest paid on noncapital debt
1	-	-	-	-	State and federal grant receipts
(202)	-	568	(126)	126	Net cash provided by (used in) noncapital financing activites
					CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES
-	17	-	-	-	Proceeds from capital debt
(6)	(1,832)	(708)	-	-	Acquisition and construction of fixed assets
-	(743)	-	-	-	Principal paid on capital debt
-	(98)	(116)	-	-	Interest paid on capital debt
-	-	-	-	-	Proceeds from sales of fixed assets
(6)	(2,656)	(824)	-	-	Net cash used in capital and related financing activities
					CASH FLOWS FROM INVESTING ACTIVITIES
845	325	166	152	11	Interest and investment income received
845	325	166	152	11	Net cash provided by investing activites
1,836	2,380	965	(738)	96	Net increase (decrease) in cash and cash equivalents
22,689	6,809	1,324	3,976	67	Total cash and cash equivalents, beginning of the year, as restated
$ 24,525	$ 9,189	$ 2,289	$ 3,238	$ 163	Total cash and cash equivalents, end of the year
					CASH FLOWS FROM OPERATING ACTIVITIES
$ (1,004)	$ 1,136	$ 1,201	$ (740)	$ (27)	Operating income (loss)
					Adjustments to reconcile operating income (loss) to cash flows from operation activities:
10	3,082	176	-	-	Depreciation
					Decrease (increase) in:
1	(498)	(6)	(111)	(5)	Accounts receivable
(243)	440	(491)	69	(13)	Due from other funds
-	-	-	-	-	Intergovernmental receivables
(133)	169	(5)	-	-	Inventories and other assets
					Increase (decrease) in:
1,863	310	147	2	-	Accounts payable
-	-	-	-	-	Other liabilities
3	56	35	(24)	1	Accrued liabilities
43	14	(46)	(10)	(1)	Due to other funds
-	(24)	-	-	-	Deferred revenue
373	-	-	16	-	Accrued insurance loss expense
335	-	-	-	-	Medical malpractice liability
(49)	26	44	34	4	Compensated absences
$ 1,199	$ 4,711	$ 1,055	$ (764)	$ (41)	Net cash provided by (used in) operating activities

See accompanying independent auditor's report

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Fiduciary Funds

FIDUCIARY FUNDS

INVESTMENT TRUST FUND

The County Treasurer provides fiscal services for various other governmental entities, such as special districts and school districts. This fund represents the assets, primarily cash and investments, of these entities in the Treasurer's custody and the related liability of the County to disburse these monies on demand. The County follows procedures of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools".

AGENCY FUNDS

Agency funds are held for other entities or persons outside of the County and primarily include undistributed property taxes or child support payments.

COUNTY OF VENTURA
COMBINING STATEMENT OF FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
JUNE 30, 2002
(In Thousands)

	Special Districts under Local Board	School Districts	Other Investment Trust	Total
ASSETS				
Cash and investments (Note 5)	$ 44,877	$ 488,050	$ 34,071	$ 566,998
Accounts receivables	760	3,825	2,662	7,247
Due from other funds (Note 8)	49	620	464	1,133
Total assets	$ 45,686	$ 492,495	$ 37,197	$ 575,378
LIABILITIES				
Accounts payable	$ 95	$ -	$ 2,220	$ 2,315
Due to other funds (Note 8)	54	4	1,818	1,876
Total liabilities	149	4	4,038	4,191
NET ASSETS				
Net assets held in trust for investment pool participants	$ 45,537	$ 492,491	$ 33,159	$ 571,187

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS
INVESTMENT TRUST FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Special Districts under Local Board	School Districts	Other Investment Trust	Total
ADDITIONS				
Contributions:				
Contributions to investment pool	$ 51,275	$ 2,157,050	$ 105,200	$ 2,313,525
Total contributions	51,275	2,157,050	105,200	2,313,525
Net investment income:				
Net appreciation (depreciation) in fair value of investments	(52)	(1,558)	(67)	(1,677)
Interest income	1,484	19,886	1,433	22,803
Net investment income	1,432	18,328	1,366	21,126
Total additions	52,707	2,175,378	106,566	2,334,651
DEDUCTIONS				
Distribution from investment pool	45,348	2,190,657	100,586	2,336,591
Total deductions	45,348	2,190,657	100,586	2,336,591
Net increase (decrease)	7,359	(15,279)	5,980	(1,940)
Net assets - beginning	38,178	507,770	27,179	573,127
Net assets - ending	$ 45,537	$ 492,491	$ 33,159	$ 571,187

See accompanying independent auditor's report

COUNTY OF VENTURA
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)

	Balance June 30, 2001	Transfers (1)	Balance June 30, 2001 Restated	Additions	Deletions	Balance June 30, 2002
ASSETS						
Cash and investments (Note 5)	$ 246,612	$ (241,995)	$ 4,617	$ 837,628	$ 837,330	$ 4,915
Accounts receivables	28,511	(28,511)	-	-	-	-
Interest and dividends	-	15	15	10	15	10
Due from other funds (Note 8)	10,127	(10,126)	1	-	1	-
Total assets	$ 285,250	$ (280,617)	$ 4,633	$ 837,638	$ 837,346	$ 4,925
LIABILITIES						
Accounts payable	$ 17,851	$ (17,851)	$ -	$ 8	$ 8	$ -
Funds held for County departments	97,695	(97,695)	-	-	-	-
Taxes due to other governmental units	27,122	(27,122)	-	-	-	-
Teeter tax reserve	29,425	(29,425)	-	-	-	-
Accrued liabilities	-	4,633	4,633	837,738	837,446	4,925
Due to other funds (Note 8)	113,132	(113,132)	-	-	-	-
Due to component unit	25	(25)	-	-	-	-
Total liabilities	$ 285,250	$ (280,617)	$ 4,633	$ 837,746	$ 837,454	$ 4,925

(1) Represents agency funds recognized in related County funds as required by GASB 33 and 34.

See accompanying independent auditor's report

Capital Assets Used in the Operation of Governmental Funds

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

The following schedules present only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF VENTURA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE
FOR THE FISCAL YEARS ENDED JUNE 30, 2002 AND 2001
(In Thousands)

	2002	2001
Governmental funds capital assets:		
Land and improvements	$ 202,839	$ 200,355
Structures and improvements	264,032	258,616
Equipment	37,716	36,731
Vehicles	20,931	18,391
Infrastructure	123,864	123,587
Construction in progress	73,831	28,107
Total governmental funds capital assets	$ 723,213	$ 665,787
Investments in governmental funds capital assets by source:		
Capital project funds	$ 793	$ 317
Federal grants and entitlements	49,083	41,731
State grants	776	740
Grants from other governmental units	20,725	18,372
General fund revenues	303,724	268,405
Special revenue fund revenues	130,863	118,973
Donations	217,249	217,249
Total governmental funds capital assets	$ 723,213	$ 665,787

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF VENTURA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY
JUNE 30, 2002
(In Thousands)

FUNCTION AND ACTIVITY	TOTAL	LAND AND IMPROVEMENTS	STRUCTURES	EQUIPMENT	VEHICLES	INFRASTRUCTURE	CONSTRUCTION IN PROGRESS
General government:							
General administration	$ 140,293	$ 5,051	$ 92,767	$ 1,143	$ 82	$ -	$ 41,250
Finance	3,392	-	-	3,392	-	-	-
Property management	10,098	-	563	9,502	33	-	-
Other	1,425	-	7	1,418	-	-	-
Total general government	155,208	5,051	93,337	15,455	115	-	41,250
Public protection:							
Judicial	15,370	-	11,626	755	-	-	2,989
Police protection	31,300	54	15,383	8,415	89	-	7,359
Detention and correction	112,540	201	100,150	4,096	70	-	8,023
Fire	45,436	2,771	17,905	3,721	20,397	-	642
Flood control and soil and water conservation	5,527	-	159	507	-	-	4,861
Protective inspection	119	5	85	29	-	-	-
Other	19,200	136	17,767	878	42	-	377
Total public protection	229,492	3,167	163,075	18,401	20,598	-	24,251
Public ways and facilities	324,812	194,208	499	49	-	123,864	6,192
Health and sanitation services	5,331	179	2,388	2,556	208	-	-
Public assistance:							
Administration	122	-	-	122	-	-	-
Other	487	-	-	477	10	-	-
Total public assistance	609	-	-	599	10	-	-
Education:	7,761	234	4,733	656	-	-	2,138
Total capital assets allocated to functions	$ 723,213	$ 202,839	$ 264,032	$ 37,716	$ 20,931	$ 123,864	$ 73,831

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

COUNTY OF VENTURA
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE OF CHANGES BY FUNCTION AND ACTIVITY
JUNE 30, 2002
(In Thousands)

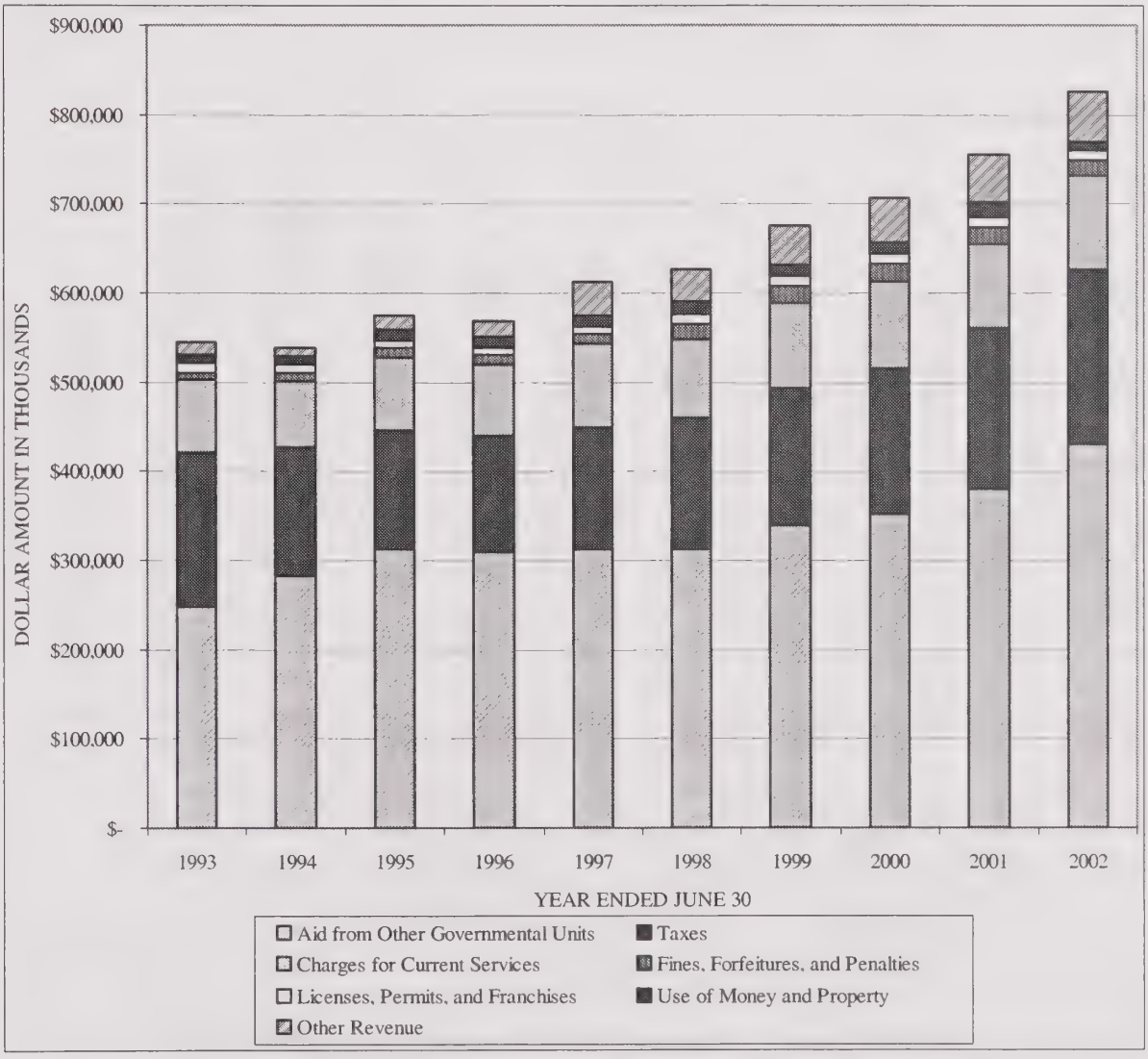
FUNCTION AND ACTIVITY	BALANCE JUNE 30, 2001	ADDITIONS	DELETIONS	NET TRANSFERS	BALANCE JUNE 30, 2002
General government:					
General administration	$ 111,656	$ 28,637	$ -	$ -	$ 140,293
Finance	3,370	181	159	-	3,392
Property management	9,535	563	-	-	10,098
Other	1,483	-	84	26	1,425
Total general government	126,044	29,381	243	26	155,208
Public protection:					
Judicial	14,503	975	108	-	15,370
Police protection	27,374	4,338	496	84	31,300
Detention and correction	107,750	5,147	244	(113)	112,540
Fire	37,013	9,503	1,080	-	45,436
Flood control & soil & water conservation	608	4,960	41	-	5,527
Protective inspection	156	-	37	-	119
Other	18,900	542	247	5	19,200
Total public protection	206,304	25,465	2,253	(24)	229,492
Public ways and facilities	319,826	5,028	42	-	324,812
Health and sanitation services	5,317	34	20	-	5,331
Public assistance:					
Administration	152	9	39	-	122
Other	534	27	74	-	487
Total public assistance	686	36	113	-	609
Education:					
Library services	7,610	864	682	(31)	7,761
Total education	7,610	864	682	(31)	7,761
Total governmental funds capital assets	$ 665,787	$ 60,808	$ 3,353	$ (29)	$ 723,213

This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets. The total governmental additions exceed capital outlay by $860, primarily due to $822 in transfers from construction in progress to structures recorded as additions and deletions.

Statistical Section

COUNTY OF VENTURA
REVENUES BY SOURCE
ALL GOVERNMENTAL FUND TYPES (1)
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	TAXES	LICENSES PERMITS, AND FRANCHISES	FINES, FORFEITURES, AND PENALTIES	USE OF MONEY AND PROPERTY	AID FROM OTHER GOVERNMENTAL UNITS	CHARGES FOR CURRENT SERVICES	OTHER REVENUE	TOTAL
1993	$173,306	$ 10,832	$ 6,795	$ 9,927	$ 247,609	$ 82,367	$ 13,616	$544,452
1994	143,422	10,069	9,001	8,496	283,168	74,512	9,419	538,087
1995	132,964	7,659	11,351	11,562	313,276	81,730	15,832	574,374
1996	130,969	7,430	11,924	12,752	308,976	79,712	17,006	568,769
1997	137,540	8,216	11,532	12,517	312,450	93,082	37,567	612,904
1998	147,741	11,001	16,292	14,346	312,935	88,084	36,734	627,133
1999	154,697	10,364	19,202	13,340	338,665	95,542	43,923	675,733
2000	162,583	10,914	21,111	12,305	351,999	98,038	49,767	706,717
2001	181,573	10,206	18,622	17,581	379,750	94,371	53,074	755,177
2002	196,035	11,730	16,870	9,781	430,019	105,827	56,160	826,422

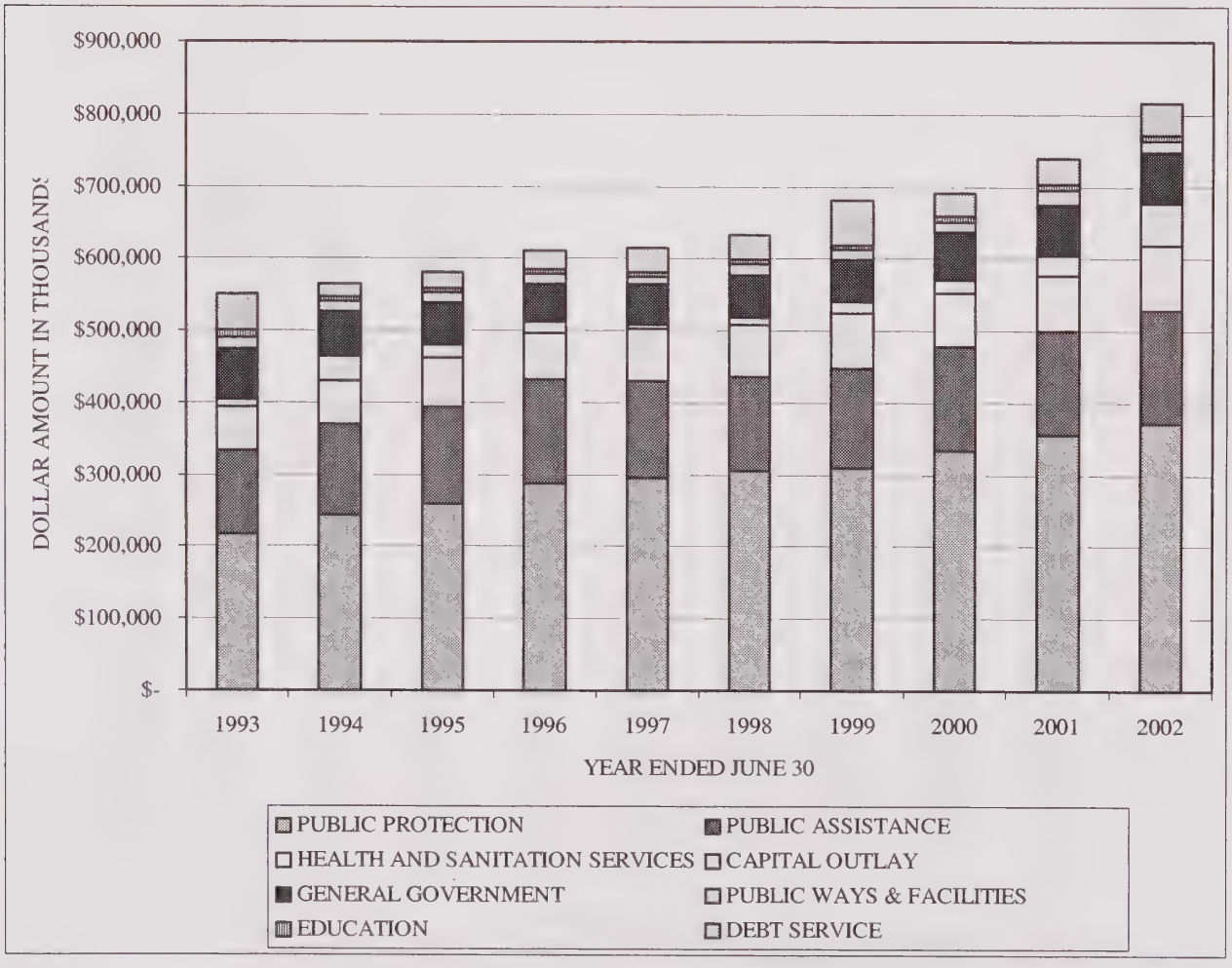


(1) Includes General Fund and all Special Revenue, Debt Service, and Capital Projects Funds.

Source: Ventura County Auditor-Controller's Office

COUNTY OF VENTURA
EXPENDITURES BY FUNCTION
ALL GOVERNMENTAL FUND TYPES (1)
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	GENERAL GOVERNMENT	PUBLIC PROTECTION	PUBLIC WAYS AND FACILITIES	HEALTH AND SANITATION SERVICES	PUBLIC ASSISTANCE	EDUCATION	CAPITAL OUTLAY	DEBT SERVICE	TOTAL
1993 (2)	$ 71,200	$ 217,162	$ 16,428	$ 59,127	$ 117,111	$ 8,451	$ 9,952	$ 51,620	$551,051
1994	61,925	244,001	13,090	60,596	126,225	6,601	33,608	18,482	564,528
1995	57,772	260,084	14,176	68,144	134,379	7,050	17,581	20,804	579,990
1996	52,758	288,067	12,275	65,301	143,463	6,623	15,920	25,376	609,783
1997	54,791	294,474	10,253	71,006	136,061	6,060	7,353	34,224	614,222
1998	57,815	306,184	16,199	71,501	129,836	6,010	10,759	35,344	633,648
1999 (3)	58,188	309,001	15,290	77,514	138,782	6,093	14,856	61,965	681,689
2000	67,245	332,860	14,215	75,934	144,454	7,237	16,892	32,678	691,515
2001	71,024	355,287	18,881	77,435	144,175	8,070	27,561	36,333	738,766
2002	69,009	372,040	15,766	89,943	156,043	8,350	59,948	45,115	816,214



(1) Includes General Fund and all Special Revenue, Debt Service, and Capital Projects Funds.

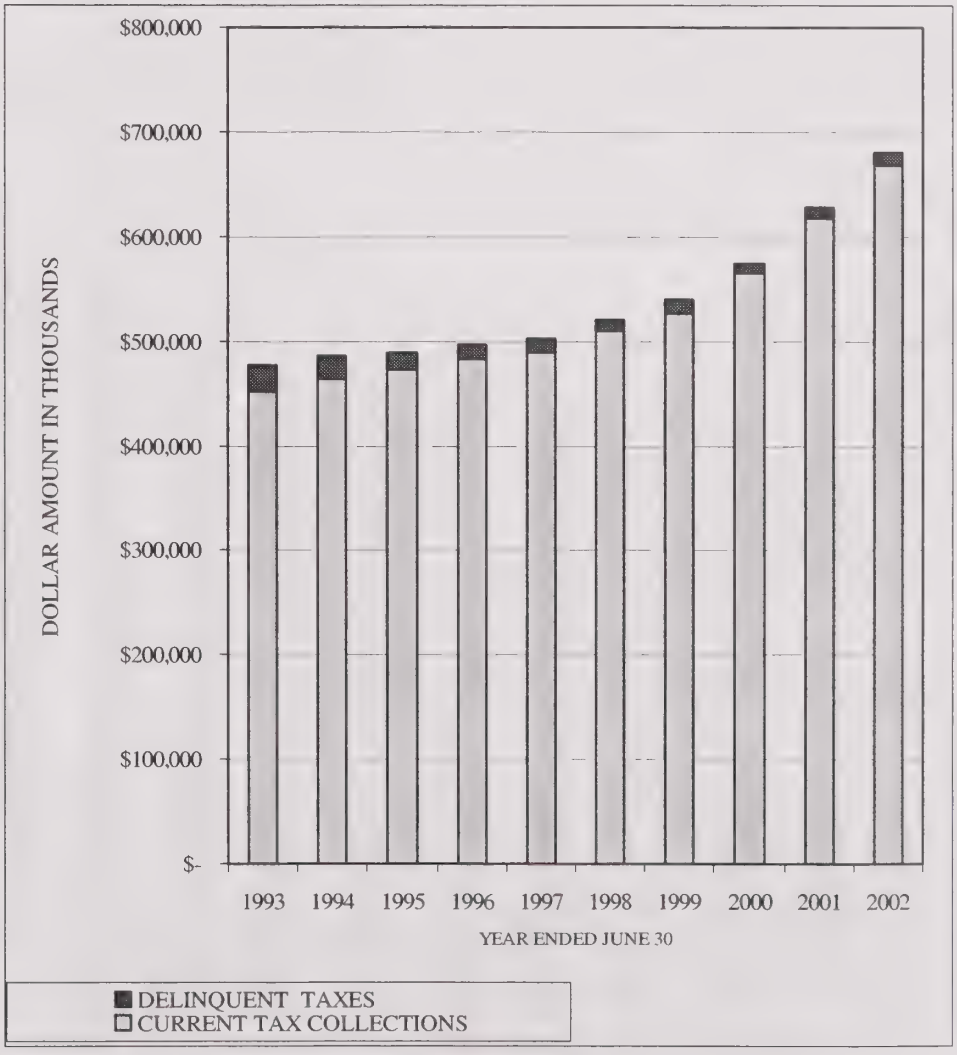
(2) 1993 Debt Service includes $30,294,000 one-time principal payment due to the retirement of Public Facilities Corporation 1985 Certificates of Participation (PFC II).

(3) 1999 Debt Service includes $28,232,000 one-time principal payment due to retirement of PFC I and PFC III.

Source: Ventura County Auditor-Controller's Office

COUNTY OF VENTURA
PROPERTY TAX LEVIES AND COLLECTIONS
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	TOTAL TAX LEVY	CURRENT TAX COLLECTIONS	PERCENT OF LEVY COLLECTED	DELINQUENT TAXES	PERCENT OF DELINQUENT TAXES TO TOTAL TAX LEVY
1993	$ 476,351	$ 451,624	94.8	$ 24,727	5.2
1994	486,383	463,824	95.4	22,559	4.6
1995	489,392	472,894	96.6	16,498	3.4
1996	496,672	483,091	97.3	13,581	2.7
1997	501,797	489,594	97.6	12,203	2.4
1998	520,616	509,713	97.9	10,903	2.1
1999	539,141	526,333	97.6	12,808	2.4
2000	574,444	564,614	98.3	9,830	1.7
2001	627,553	617,453	98.4	10,100	1.6
2002	679,821	668,926	98.4	10,895	1.6

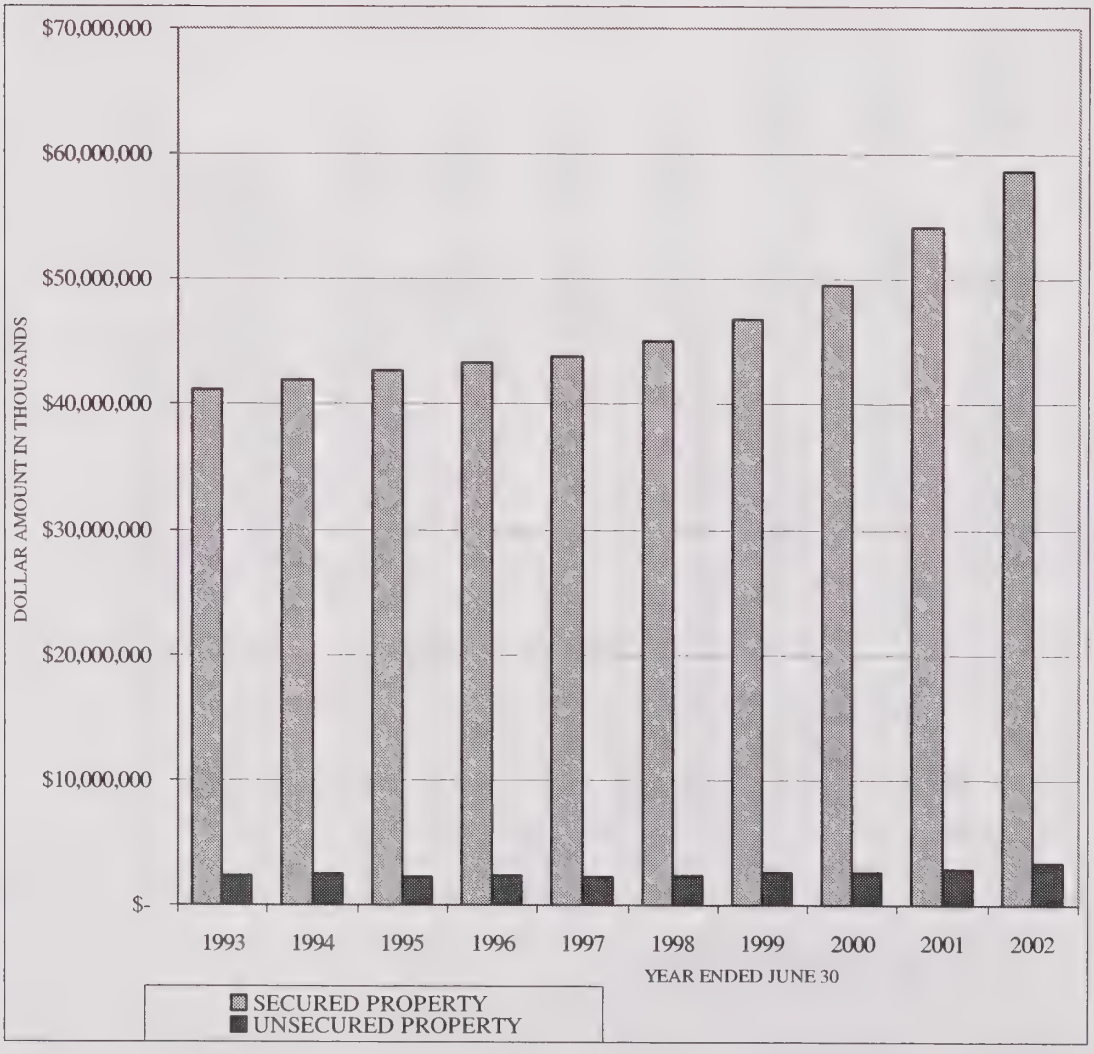


Source: Ventura County Auditor-Controller's Office

COUNTY OF VENTURA
ASSESSED VALUE
OF TAXABLE PROPERTY
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	SECURED PROPERTY ASSESSED VALUE	UNSECURED PROPERTY ASSESSED VALUE	TOTAL ASSESSED VALUE
1993	$ 41,209,355	$ 2,347,932	$43,557,287
1994	41,948,789	2,461,980	44,410,769
1995	42,708,299	2,257,582	44,965,881
1996	43,282,520	2,317,807	45,600,327
1997	43,855,746	2,258,688	46,114,434
1998	45,068,893	2,425,801	47,494,694
1999	46,798,426	2,615,665	49,414,091
2000	49,491,147	2,666,951	52,158,098
2001	54,213,286	2,927,920	57,141,206
2002	58,662,702	3,307,261	61,969,963

NOTE: Assessments are at full value in accordance with Section 135 of the Revenue and Taxation Code.



Source: Ventura County Auditor-Controller's Office

COUNTY OF VENTURA
PROPERTY TAX RATES AND DISTRIBUTION OF GENERAL LEVY PROPERTY TAXES
DIRECT AND OVERLAPPING GOVERNMENTS
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

YEAR ENDED JUNE 30	PROPERTY TAX RATES PER $100 OF ASSESSED VALUATION LOW	HIGH	CITIES	SPECIAL DISTRICTS	COUNTY	SCHOOL DISTRICTS (1)	TOTAL
1993 (2)	1.000000	1.424488	8.43%	19.34%	26.13%	46.10%	100%
1994 (2)	1.000000	1.441874	7.64%	18.88%	17.99%	55.49%	100%
1995	1.000000	1.393164	7.67%	18.65%	18.01%	55.67%	100%
1996	1.000000	1.392075	7.64%	18.64%	17.96%	55.76%	100%
1997	1.000000	1.384278	7.60%	18.74%	17.90%	55.76%	100%
1998	1.000000	1.371358	8.21%	18.73%	17.88%	55.18%	100%
1999	1.000000	1.385931	8.39%	18.60%	17.87%	55.14%	100%
2000	1.000000	1.218139	8.44%	18.63%	17.87%	55.06%	100%
2001	1.000000	1.231617	8.54%	18.65%	17.95%	54.86%	100%
2002	1.000000	1.231617	8.63%	18.65%	17.90%	54.82%	100%

The County is divided into approximately 2,425 tax rate areas, which are unique combinations of various jurisdictions serving a specific geographic area. The above tax rates, which include levies for general obligation bonds and special assessments, represent the low and high tax rates levied within each tax rate area.

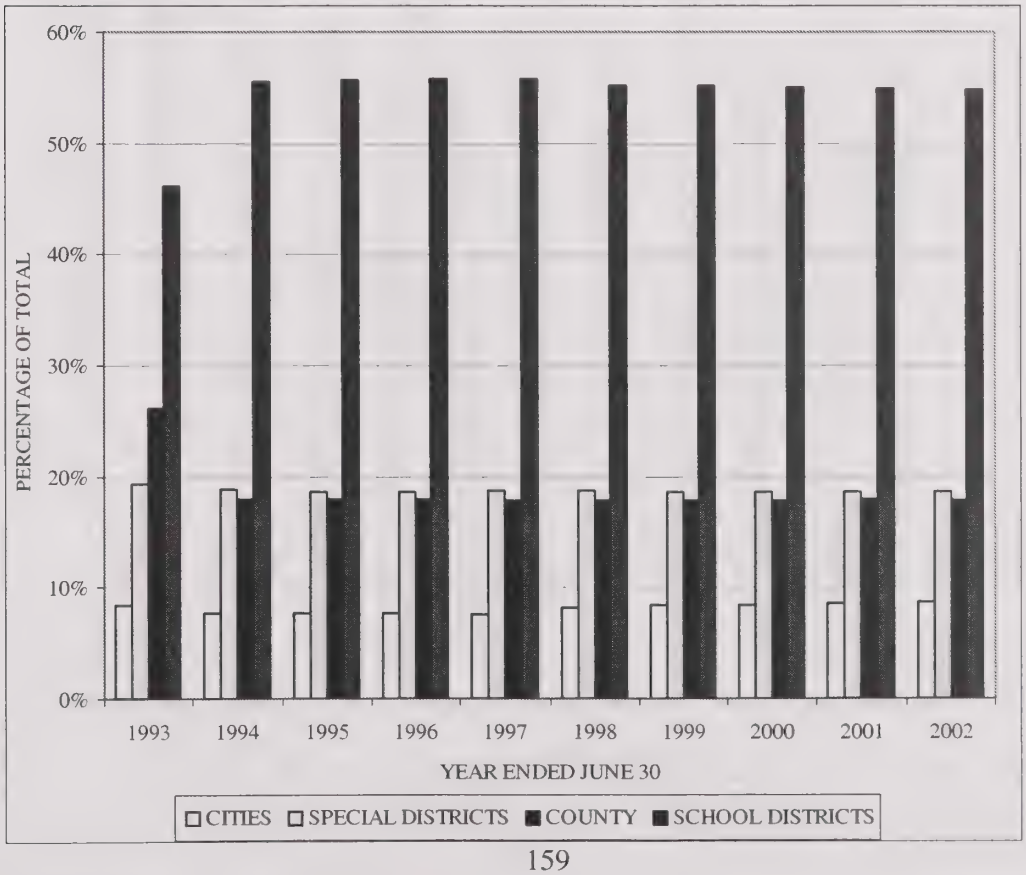
The above allocation percentages are for general levies only and exclude general obligation bonds and special assessments.

The passage of Proposition 13 on June 6, 1978, enacted Article XIII(A) of the State Constitution. This prohibits the levying of any tax rate, except for voter approved bonded debt, in excess of a general tax rate of 1 percent of assessed value. The proceeds of this tax are shared by all overlapping local government entities.

(1) Includes Superintendent of Schools

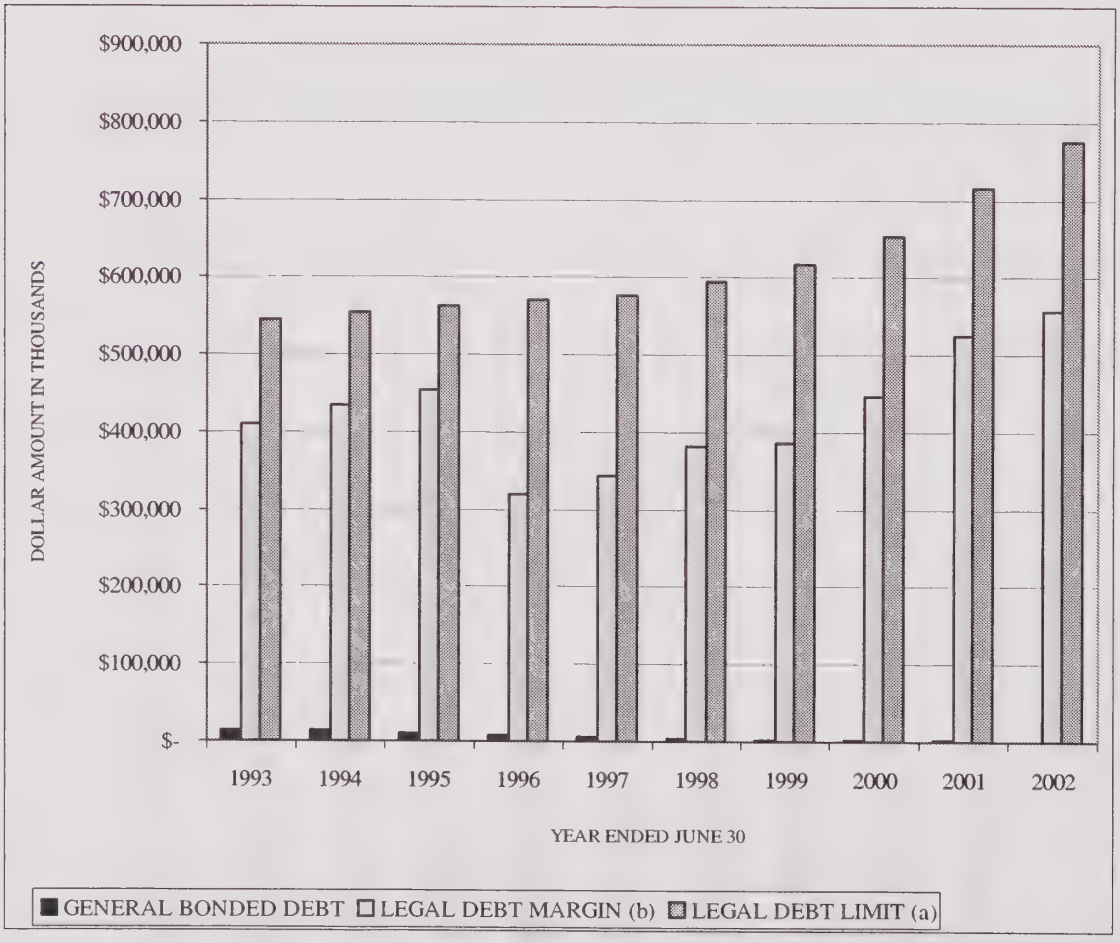
(2) The State required increased distribution of taxes to schools with corresponding reductions to other entities beginning with tax shifts in 1992-93 and 1993-94.

Source: Ventura County Auditor-Controller's Office



COUNTY OF VENTURA
GENERAL BONDED DEBT AND LEGAL DEBT LIMIT
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

	YEAR ENDED JUNE 30	ESTIMATED POPULATION	TOTAL ASSESSED VALUATION	LEGAL DEBT LIMIT (a)	LEGAL DEBT MARGIN (b)	GENERAL BONDED DEBT	GENERAL BONDED DEBT TO ASSESSED VALUE	GENERAL BONDED DEBT PER CAPITA
	1993	700	$ 43,557,287	$ 544,466	$ 410,792	$ 14,995	0.00034	$ 21.42
	1994	708	44,410,769	555,135	433,770	13,402	0.00030	18.93
	1995	721	44,965,881	562,074	454,288	10,190	0.00023	14.13
	1996	716	45,600,327	570,004	319,369	8,395	0.00018	11.72
	1997	717	46,114,434	576,430	343,747	6,495	0.00014	9.06
(c)	1998	726	47,494,694	593,684	380,826	4,555	0.00010	6.27
	1999	735	49,414,091	617,676	385,771	3,010	0.00006	4.10
	2000	748	52,158,098	651,976	445,455	1,805	0.00003	2.41
	2001	765	57,141,206	714,265	524,194	1,255	0.00002	1.64
	2002	780	61,969,963	774,625	555,806	665	0.00001	0.85



(a) The legal debt limit is set by statute at 1.25 percent of total assessed valuation.

(b) The legal debt margin is the legal debt limit reduced by all long-term bonds, certificates of participation and loans payable.

(c) Revised based upon updated report from State of California, Demographic Research Unit.

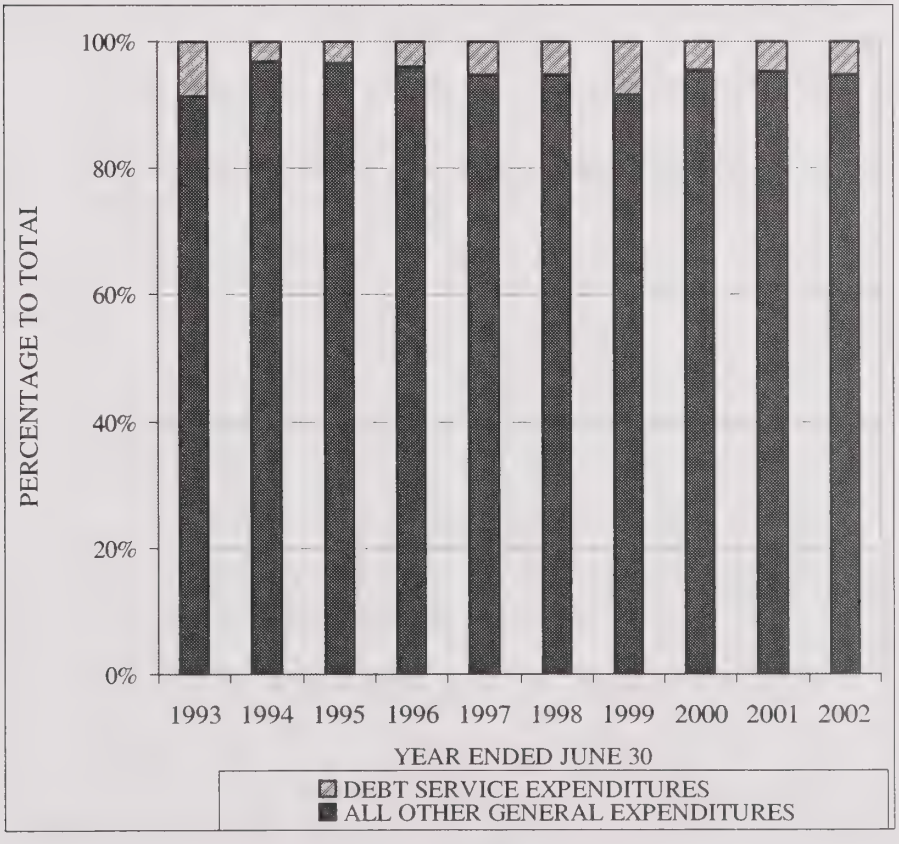
Sources: Ventura County Auditor-Controller's Office and California Department of Finance

COUNTY OF VENTURA
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GOVERNMENTAL EXPENDITURES
TEN YEARS ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

FISCAL YEAR	PRINCIPAL	INTEREST	TOTAL DEBT SERVICE (1)	TOTAL GOVERNMENTAL EXPENDITURES (2)	RATIO OF DEBT SERVICE TO TOTAL GOVERNMENTAL EXPENDITURES
1993 (3)	$ 40,426	$ 11,194	$ 51,620	$ 551,051	9.4%
1994	10,865	7,617	18,482	564,528	3.3%
1995	11,747	9,057	20,804	579,990	3.6%
1996	12,792	12,584	25,376	609,783	4.2%
1997	16,171	18,053	34,224	614,222	5.6%
1998	17,857	17,487	35,344	633,648	5.6%
1999 (4)	39,587	22,378	61,965	681,689	9.1%
2000	19,233	13,445	32,678	691,515	4.7%
2001	21,787	14,546	36,333	738,766	4.9%
2002	33,275	11,840	45,115	816,214	5.5%

(1) Includes debt service for General Fund short-term borrowings and all debt service in the Debt Service Funds. General obligation and lease revenue bonds reported in the proprietary funds have been excluded.
(2) Includes General Fund and all Special Revenue, Debt Service, and Capital Projects Funds.
(3) 1993 Principal includes $30,294,000 one-time principal payment due to the retirement of Public Facilities Corporation 1985 Certificates of Participation (PFC II).
(4) 1999 Principal includes $28,232,000 one-time principal payment due to retirement of PFC I and PFC III.

Source: Ventura County Auditor-Controller's Office



COUNTY OF VENTURA
CONSTRUCTION AND BANK DEPOSITS
TEN YEARS ENDED JUNE 30, 2002
(UNAUDITED)

YEAR ENDED JUNE 30	COMMERCIAL CONSTRUCTION VALUE (a) (In Thousands)	RESIDENTIAL CONSTRUCTION		BANK DEPOSITS (b) (In Thousands)
		NUMBER OF UNITS (a)	VALUE (a) (In Thousands)	
1993	$ 195,207	1,380	$ 244,982	$ 4,265,221
1994	76,179	1,945	198,923	4,235,286
1995	106,072	2,305	181,739	4,151,251
1996	155,762	2,346	227,050	3,425,696
1997	206,749	2,304	246,332	6,477,957
1998	241,206	2,607	191,737	6,842,846
1999	(c)	3,977	(c)	7,147,592
2000	365,132	4,180	431,938	7,373,216
2001	200,808	3,782	498,260	7,934,198
2002	421,194	2,826	269,727	8,721,314

(a) Sources:
Construction Industry Research Board for number of units.
County of Ventura Assessor's Office for construction values.

(b) State Banking Department through 1996; thereafter, FDIC Website www.fdic.gov.

(c) Information is not available.

COUNTY OF VENTURA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AS OF JUNE 30, 2002
(UNAUDITED)

DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT:	PERCENTAGE APPLICABLE TO COUNTY OF VENTURA		DEBT JUNE 30, 2002
Metropolitan Water District	4.120		$ 20,726,690
Ventura County Flood Control District, Zone No. 3	100.00		575,000
School, High School, and Unified School Districts	100.00 (a)		449,068,899
Ventura County Waterworks Districts (#1 and #16)	100.00		90,000
Municipal Water Districts	100.00		215,000
1915 Act Bonds	100.00		56,695,000
Ojai Valley Sanitation District	100.00		180,000
Community Facilities Districts	100.00		79,925,898
TOTAL GROSS DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		(b)	607,476,487
Less: Ventura County Waterworks District self-supporting bonds			45,000
TOTAL NET DIRECT AND OVERLAPPING TAX AND ASSESSMENT DEBT		(b)	607,431,487
DIRECT AND OVERLAPPING GENERAL FUND OBLIGATION DEBT:			
Ventura County Pension Obligations	100.00		103,180,000
Ventura County Public Facilities Corporation	100.00		11,320,000
Ventura County Public Financing Authority	100.00		75,975,000
Cities and City Building Authorities	100.00		160,855,912
Simi Library Authority	100.00		200,000
School Authorities	100.00 (a)		73,476,643
Ventura County Superintendent of Schools	100.00		2,170,000
County Water District Certificates of Participation	100.00		1,110,405
Camarillo Sanitary District and Certificates of Participation	100.00		9,254,788
Recreation and Park Districts	100.00		2,095,100
TOTAL GROSS DIRECT AND OVERLAPPING BONDED DEBT		(b)	439,637,848
Less: City of Thousand Oaks Lease Revenue Bonds			4,950,000
Camarillo Sanitary District Certificates of Participation			9,254,788
TOTAL NET DIRECT AND OVERLAPPING BONDED DEBT		(b)	425,433,060
GROSS COMBINED TOTAL DEBT			$ 1,047,114,335
NET COMBINED TOTAL DEBT			$ 1,032,864,547

Ratios to assessed valuation:

Total gross direct and overlapping tax and assessment debt	0.98%
Total net direct and overlapping tax and assessment debt	0.98%

(a) All 100 percent except Las Virgenes Joint Unified School District (3.919%).

(b) Excludes revenue, mortgage revenue and tax allocation bonds, non-bonded capital lease obligations, tax exempt commercial paper, and tax and revenue anticipation notes.

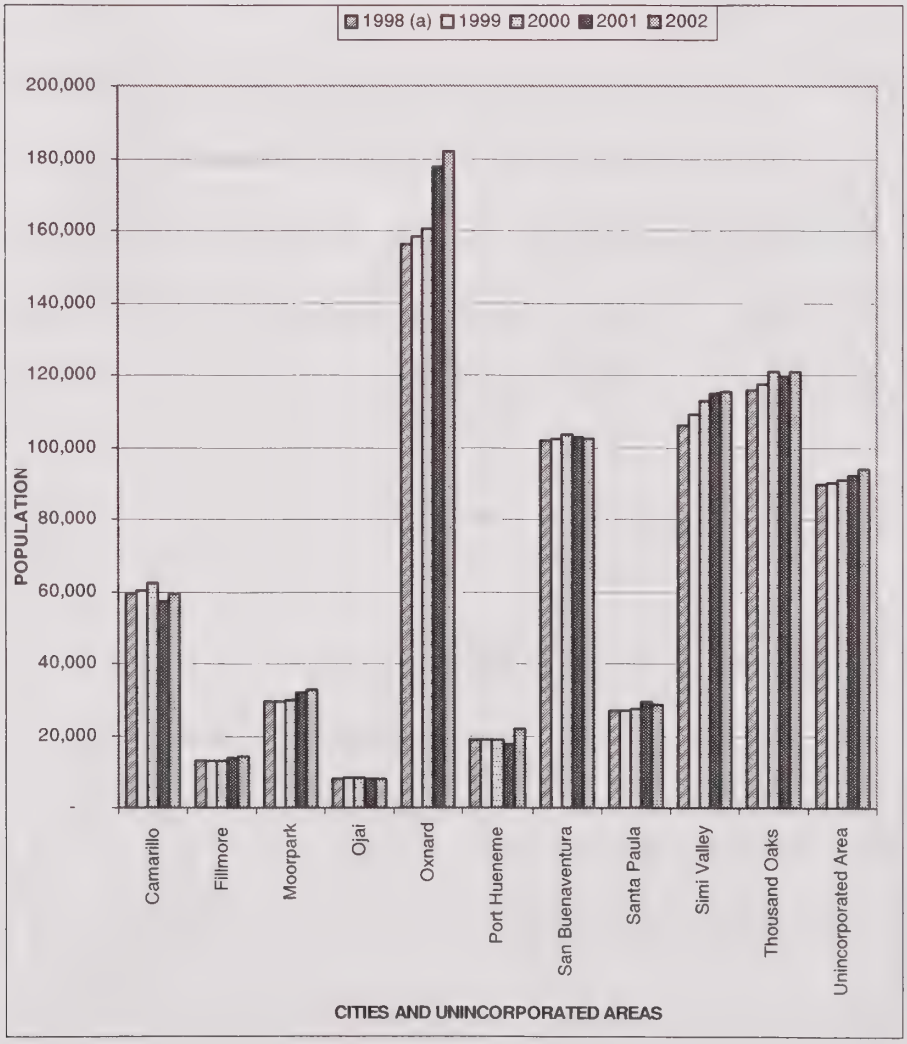
Source : California Municipal Statistics, Inc., San Francisco and Auditor-Controller's Office

COUNTY OF VENTURA
POPULATION BY CITY
FIVE-YEAR COMPARISON AS OF JUNE 30, 2002
(UNAUDITED)

	1998 (a)	1999	2000	2001	2002
Camarillo	59,191	60,385	62,187	57,349	59,487
Fillmore	13,104	13,197	13,260	14,096	14,400
Moorpark	29,400	29,589	29,727	32,151	33,032
Ojai	8,181	8,211	8,258	7,970	7,913
Oxnard	156,386	158,250	160,305	177,700	182,027
Port Hueneme	18,842	18,896	18,991	17,766	21,854
San Buenaventura	101,706	102,319	103,505	102,574	102,346
Santa Paula	26,960	27,123	27,255	29,303	28,732
Simi Valley	106,299	108,926	113,023	114,837	115,533
Thousand Oaks	115,981	117,573	120,744	119,411	120,975
Unincorporated Area	89,486	90,098	90,984	92,017	93,790
Total	725,536	734,567	748,239	765,174	780,089

(a) Revised based upon updated report from State of California, Demographic Research Unit

Source:
California Department of Finance
Demographic Research Unit



COUNTY OF VENTURA
TEN LARGEST PROPERTY TAXPAYERS RANKED BY ASSESSED VALUE
FOR THE FISCAL YEAR ENDED JUNE 30, 2002
(In Thousands)
(UNAUDITED)

NAME	TYPE OF BUSINESS	GROSS ASSESSED VALUE	PERCENTAGE OF TOTAL GROSS ASSESSED VALUE
Amgen, Inc	Biotechnology	$ 790,401	1.27%
So. California Edison Co.	Utility	354,045	0.57%
GTE California, Inc.	Utility	300,771	0.49%
Proctor-Gamble Paper Products	Manufacturing	269,164	0.43%
Vintage Petroleum	Oil field operations	178,925	0.29%
Aera Energy LLC	Oil field operations	177,101	0.29%
Pacific Bell and Subsidiaries	Telecommunications	138,958	0.22%
LSR Limited	Land development	127,338	0.21%
Baxter Healthcare	Biotechnology	140,623	0.23%
The Oaks Shopping Center	Regional Shopping Center	137,770	0.22%
Total attributable to ten largest property taxpayers		$ 2,615,096	4.22%
Total gross assessed value		$ 61,969,963	100.00%

Source: Ventura County Assessor's Office

COUNTY OF VENTURA
DEMOGRAPHIC AND MISCELLANEOUS STATISTICAL DATA
AS OF JUNE 30, 2002
(UNAUDITED)

The State Legislature approved the formation of Ventura County on March 22, 1872, effective January 1, 1873. The County of Ventura was created out of the southeasterly portion of Santa Barbara County.

The County of Ventura is bounded on the east by Los Angeles County; on the north by Kern County; on the northwest by Santa Barbara County; and on the south and southwest by the Pacific Ocean, with a coastline of approximately 42 miles.

Form of Government:	General Law County, governed by a five member Board of Supervisors
County Seat:	San Buenaventura, California
Area of County:	Approximately 1,873 square miles
Lowest Point:	Sea Level
Highest Point:	Mount Pinos, 8,831 feet
Mean Temperature:	60.9 degrees
Mean Precipitation:	13.09 inches
Fiscal Year:	July 1 through June 30
Number of Cities:	Ten

Population:				
	Census June 1, 1890	10,071	Census April 1, 1960	199,138
	Census June 1, 1900	14,367	Census April 1, 1970	368,497
	Census April 15, 1910	18,347	Census April 1, 1980	529,899
	Census January 1, 1920	28,724	Census April 1, 1990	669,016
	Census April 1, 1930	54,976	Census April 1, 2000	753,197
	Census April 1, 1940	69,685		
	Census April 1, 1950	114,647		

(Source: US Department of Commerce, Bureau of Census)

County Employees:	June 30, 2002	7,681
Number of employees per thousand population		10

Employment Distribution:

Service Industries	26.9%
Retail Trade	17.5%
Government	15.2%
Manufacturing	13.6%
Agriculture, Food Production	7.4%
Wholesale Trade	4.4%
Construction and Mining	5.4%
Finance, Insurance, Real Estate	6.0%
Transportation, Utilities	3.6%
Total	100.0%

Civilian Unemployment Rate	4.5%

(Source: State of California, Labor Market Information Division of the California Employment Development Department, as of July 2002)

Fire Protection:	Fire Stations	31
Education:	Number of Elementary School Districts	11
	Number of Secondary School Districts	2
	Number of Unified School Districts	7
	Number of Community College Districts	1
	Number of Ventura County Offices	1
	Number of State Universities	1
	(Source: Ventura County Superintendent of Schools)	
Parks:	Number of Parks	26
	Number of Land Acres	5,703
Airports:	Number of Airports	2
	Number of Acres	866
Harbors:	Number of Harbors	1
	Number of Acres	310
	Number of Marinas	9

(Source: County of Ventura)

COUNTY OF VENTURA
SALARIES AND SURETY BONDS
OF ELECTED COUNTY OFFICIALS
AS OF JUNE 30, 2002
(UNAUDITED)

OFFICIALS	POSITION	ANNUALIZED SALARY (a)	SURETY BOND
Steve Bennett	Supervisor, First District	$ 89,633	$ 25,000
Frank Schillo	Supervisor, Second District	$ 89,633	$ 5,000
Kathy I. Long	Supervisor, Third District	$ 86,665	$ 25,000
Judy Mikels	Supervisor, Fourth District	$ 89,633	$ 5,000
John K. Flynn	Supervisor, Fifth District	$ 89,633	$ 25,000
Dan Goodwin	Assessor	$ 123,894	$ 25,000
Christine L. Cohen	Auditor-Controller	$ 133,174	$ 250,000
Richard D. Dean	Clerk and Recorder	$ 113,732	$ 25,000
Michael D. Bradbury	District Attorney	$ 157,075	$ 25,000
Bob Brooks	Sheriff	$ 167,684	
	Civil		$ 25,000
	Criminal		$ 25,000
Harold S. Pittman	Treasurer - Tax Collector Public Administrator Public Guardian	$ 115,222	$ 755,000

(a) Based upon June 2002 base salary.

Source: Ventura County Auditor-Controller's Office

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